

JOINT COMMITTEE ON THE ARTS
Senator Jack Scott, Chair

“The Arts Advantage to California in the Changing World”

December 3, 2001
Burbank City Hall

SENATOR JACK SCOTT: Good afternoon. I want to welcome you to this Joint Committee of the Arts. Our hearing is going to be on “The Arts Advantage to California in the Changing World.” Certainly, we are fortunate to hold our hearing here in the Council Chambers of the Burbank City Hall. It’s been recently renovated, and I think you can enjoy that artistic touch.

As you think back in human history, the arts have been such a significant part of the world in which we live: in the most ancient times the cave dwellings with the prehistoric drawings that had been found, ancient Egypt, certainly the Greeks and the Romans, their sculpture, their drama. All of that is part of what we know as the “artistic expression” of the human personality.

But I don’t want to think of art strictly in our traditional way, almost as an add-on. Arts are an economic base, a tool for our children’s future, and a way to bring the cultures of California together. It represents \$2½ billion of activity in California. The arts, fairs, and festivals generate ten million annual visitors to California.

We have attempted to improve the funding for arts in California. We were, a few years ago, a deplorable forty-sixth among the fifty states, and now we’re at a more respectable twenty-sixth place. But we ought to be in the top ten, given the centrality of the arts to California, given the fact that we are now the fifth largest economy in the world, if we were a nation representing a gross domestic product, of one-and-a-third trillion dollars. And the year began rather well because the Governor in his budget had a \$27 million increase.

However, there have been some changes in the economy of California, unfortunately, and they have not been of a good nature. The downward trend began in March. We began to see the stock market as it made its rapid decline, the dot-com

economy in Northern California, and then, of course, all of that was exacerbated by the tragic events of September 11th.

Let me give you a picture of our state budget. Last fiscal year we had General Fund revenues of \$78 billion. Now the Legislative Analyst tells us that in this fiscal year, she expects those revenues to decrease to \$68.3 billion. Now, that's a 9.7 billion dollar decrease, and that's over 12 percent, which is the sharpest decrease since World War II.

But why do we still hold out for the arts? Because we believe that they are very important in many ways to the culture of our particular state. California and Hawaii are the only two states in the nation that do not have a majority population. It's one of the most diverse spots in the world, and so it's necessary we focus on ways in which an appreciation for cultural diversity can be instilled. We know that it has an importance in the overall education. The statistics are clearly in that when we emphasize the arts in school, we see a rise in the learning curve. They're an advantage to our economy, so we want to use the arts in the many ways that they are used.

In many ways I think the arts are one of the unsung assets of our economy, and I want this Joint Committee to serve as a way of protecting the arts. We want to use this as a venue, and we're going to hear from, really, some very powerful and insightful speakers that will tell us more about the arts.

I want to particularly thank Barry Hessenius, the executive director of the California Arts Council, and his staff member Kristin Margolis, because they provided so much help in putting this hearing together.

Before I begin with you, Mr. Hessenius, I'm joined here with two of my colleagues from the Assembly, and I'd like to give them the opportunity to make a comment. I'll turn first to Assemblywoman Virginia Strom-Martin.

ASSEMBLYMEMBER VIRGINIA STROM-MARTIN: Thank you very much, Senator Scott. I'm really very excited about being here today.

I represent five rural counties, largely rural counties, in the northern part of the state: Sonoma, Mendocino, Humboldt, Del Norte, and Lake counties. When Senator Scott mentioned arts and culture as a source of economic development, that is exactly what some of my counties are looking towards because they were once very dependent upon resources for their economy. Now, of course, they do not have the luxury of

being able to depend on fishing and timber for their primary sources of their economy. In fact, there are developing interests in the arts, especially in Mendocino and Humboldt County and Sonoma as well. So I'm really interested in hearing what the witnesses have to say about how we should be investing more in our arts, for those very reasons.

On a personal level, I majored in art in college, minored in psychology. I did have the hopes of becoming an art therapist at one point in time, but here I am as a legislator. But I did teach elementary school for twenty-four years before being elected, so arts and theater and music was very much a part of the curriculum for elementary school students. I am, as chair of Education this last year and this year, very concerned about the de-emphasize on arts in our schools, and I think that we need to again listen to what the folks have to say here today about that particular issue. Although we have, I think, reinvigorized our schools in terms of the academics, I believe that art and music and theater are very much a part of that. So I think we need to talk a little bit more about that and see what we can do.

So I'm really interested in hearing all the testimony. Thank you.

SENATOR SCOTT: Thank you very much, Assemblywoman Strom-Martin. Your role as a therapist might come in handy in the Legislature.

Now I'd like to turn to Assemblywoman Carol Liu. She and I represent the same area and work together closely on many projects. She's also a member of the Joint Committee on the Arts and has a keen interest in the arts.

ASSEMBLYMEMBER CAROL LIU: Thank you very much, Senator Scott. I just want to welcome all of you, and I'm looking forward to hearing your testimony this afternoon.

Arts has just been part of my life. I like to view the holistic part, and we've, unfortunately, segregated or parceled out arts separately from the rest of what's going on. It very much needs to be integrated back into our lives, and I'm very supportive of it. In fact, I do sit with Virginia on her Education Committee. I also sit on Higher Ed. I'm very interested in what you have to say and how we can be of assistance to all of you to make sure that the people in this state and our children get the, quote, "arts" they need to have as part of their lives.

Thank you.

SENATOR SCOTT: Our first speaker, and who is to give us the overview and no one's better equipped to do that than Barry Hessenius. He was appointed director of the California Arts Council by Governor Davis in March 2000. A tireless, passionate arts advocate, Barry has brought the Arts Council to the forefront by sponsoring the first Joint Congress on the Arts in promoting the Year of the Arts in 2000.

Now, I will remind the speakers that we are taping this, which will air on Burbank and California Channel, so they need to stay within their allotted speaking time, plus speaking into the mike, and I see that Mr. Hessenius has already done that.

Welcome.

MR. BARRY HESSENIUS: Thank you, Mr. Chairman, members of the committee.

I'd like to first thank your chief consultant to the committee, Sherry Geiogue, who's undergoing surgery this morning and couldn't be with us, for all of her help in helping to prepare this hearing. I'd also like to thank you for holding the hearing and for all of those who attended and for those who are going to give you testimony today.

As Senator Scott has mentioned, and the background materials provided to you indicate, while funding augmentation in the past two years has helped revitalize a seriously underfunded arts infrastructure, the convergence of dramatic reductions from virtually all revenue sources to the arts – state, local, philanthropic, corporate, foundation, individual, and TOT tax based, stemming from the energy crisis, the aftermath of the 9/11 incidents, and the recession – have now put the invaluable asset that we call arts and culture at risk for our state.

We do have some good news: We have just begun to address a decade old underfunding situation in California. In the arts education arena in particular, we have made dramatic strides in a very short period of time. In the past year, in the exemplary arts education program which funded expansion of existent grantee arts education outreach programs, we've added over 2,000 artists; we've increased the number of participant schools to over 2,700; we've increased the number of classrooms to over 7,200; added over 2,000 performances; and trained an additional thousand-plus teachers all in the past years. We've increased payments to artists from this program alone by \$1,878,000.

Unfortunately, current cuts will put the brakes on this kind of expansion, and that's too bad. It's too bad for our kids, and it's too bad for theirs and our futures,

because there is now widespread agreement that if all we teach our kids is to read and write, math and science, that we will have failed to prepare them for the information age. Out-of-the-box thinking, risk-taking, excellence as the standard, team problem-solving, spatial recognition – those are the very skills that they desperately need to succeed in the new world. Cuts will force us to completely eliminate this year the remainder of the Arts Education Demonstration Project program that funded new ideas and approaches, including our hope that we would be able to work with school districts to address the fears and anxieties, the prejudices and the biases of our children in the post-9/11 world.

Every diminution in the arts infrastructure lessens the opportunities to build cultural bridges; an objective, as Senator Scott pointed out, critical to California as the most diverse place on this planet. Every dollar cut today and not doubled tomorrow means that there will be that many less theaters, that many less dance troupes, that many less music concerts, that many less museum exhibits, that attract tourists to our state, making it that much harder for restaurants and hotels to recover. Every dollar not available until some time in the future jeopardizes existent jobs, threatens planned and in-progress downtown revitalization strategies, lessens local and state tax contributions. Every redirection of needed funds to special interests, no matter how worthy they may be, compromises the integrity of the whole of the state's arts infrastructure and lessens its value to our most important industries.

During the Battle of Britain, aides to Winston Churchill informed him that they were going to close the theaters in London so that they could save some money. Churchill was indignant at this suggestion and emphatically forbade them to do so. When they asked him why, he replied, "What do you think we're fighting for?"

Indeed, America turned to the arts for solace and comfort, for healing and community in the days and weeks following the attacks on New York and the nation's capital. For the arts do build bridges, promote tolerance and understanding, and remind us of what is right about the world.

While I realize that the economic times call for sacrifices on everyone's part right now, and while I do not come here today to suggest to the committee that we have increased funding to the arts this year which we so desperately need if our creative advantage in California is going to keep us in the forefront of the tourism, high-tech, and entertainment industries, I do come to ask for three things from you.

First, that this committee take a leadership role for the Legislature in assessing the value and the impact that the arts and culture have for California to our economy, to the education and job preparation of our children, to the civic life of our communities, and to address the issue of the fragility of this asset, both short- and long-term. Total funding to the arts in California from all sources is approximately \$350 million a year, and we stand to lose 50 to 60 million dollars of that money in the next eighteen months. That will mean that some arts organizations will close their doors. Staff layoffs will be inevitable. Education and community outreach programs will not continue to grow. Some programming will have to be jettisoned. Recent front-page articles in the *San Francisco Chronicle*, included in your materials packet, described the impact on this infrastructure, emblematic of what is happening all around the state.

In San Francisco, funding problems are forcing organizations to close their doors two or three days a week to save money, to rent out their space to other organizations to make ends meet, to fund fewer new projects, to cut back support for arts education, and to target mainstream white audiences at the expense of expanding offerings to less affluent multicultural groups.

If California wants the arts to be there when we need them, then something has to be done to protect the infrastructure of the arts community. And make no mistake about it, California needs the arts desperately. We're talking about a \$2½ billion-a-year industry, bigger than legal services, as big as forestry. We're talking about \$100 million-plus in contributions to taxes. If you factor in the private industry, we're talking about hundreds of thousands of jobs. And we're talking about the creative talent pool that provides skilled people to film, television, music, and the high-tech industries. It is the arts that fills the pipeline for digital animators, web site designers, Disneyland performers, actors, set designers, costume makers, advertising managers, furniture and fashion designers. They all come from their start in the arts, for the most part, and it is the arts that people increasingly want when they travel – theater and symphonies, dance and museums, fairs and festivals – whether they come from abroad or other states or are Californians traveling around.

Bill Ivey, the former chairman of the National Endowment of the Arts, said in his farewell address he wasn't hired by Bill Clinton, he was hired by Hilary. The Endowment was and is the province of the East Wing of the White House, not the West

Wing. For far too long the arts have been nothing more than a social calendar adjunct in the minds of some of the elected officials. We can't afford to squander one of California's most precious assets. It is a thriving arts infrastructure, intimately interwoven with key creative industries that has made California the creative capital of the world, and that global cache that we enjoy is what has for decades attracted talent and idea people to take risks and build new business models. It has fueled our entrepreneurial drive and helped to make California the fifth biggest economy in the world. And yet, we continue, even in good times, to fund but a miniscule per capita support level in comparison with the other countries in the world's top ten economies. A chart of which is in your materials.

I applaud the Legislature's support for increased art funding in recent years, but I fear that such support came only because there was a large surplus and that many people in the Legislature felt they could finally address issues, even those items that, in their heart of hearts, they really didn't believe to be anything more than luxuries. At the core of the problem to the creative asset in California is that notion that the arts are nothing more than a frill. A good thing, yes, but not essential.

For well over a decade the arts community itself has believed that the public at large holds this view. A just completed public opinion survey, the first ever scientific study done in California on the public's attitude towards the arts, funded by the Irvine and Packard Foundations and conducted by the independent, private, international research firm, the BRS Group, has indicated that simply isn't the case. The public gets it. They fully understand and appreciate the value of the arts to the economy, to education, to civic life, and they support the arts. Indeed, an astounding 78 percent would pay \$5 more a year in state income taxes if, and only if, that money went directly to the arts.

The *Los Angeles Times*, the *San Francisco Chronicle*, the *San Diego Union Tribune*, the *Fresno* and *Sacramento Bees* have all voiced editorial support for increased investment in the arts in the past two years. These dailies have, at the same time, lamented the funding of "pork projects" at the expense of the arts as a whole. Yet, in the last three years, the funding for those kinds of projects has equaled the entire budget for the Arts Council itself. No one – no one in the arts community, no one in the press – believes that this type of funding comes at anything but at the expense of arts funding.

So my second plea to the committee is that somehow the Legislature, this year and in the future when the economy is again robust, figures out some way to balance the needs of individual projects with protection of the entirety of the arts infrastructure.

I can tell you that the arts community itself, from the biggest institutions with the most prominent and powerful board members to the myriad of small and large multicultural organizations, is getting very tired of those who support special projects at the expense of the art assets statewide. Forget that it is thought by many, including the press, to be bad public policy, that it skirts any review process and leaves the impression, right or wrong, of cronyism at best and government for sale at worst. Forget that, unlike funding through the Arts Council, such awards require no matching grant and, thus, the state has over the past three years lost almost \$100 million in local leverage funding. Forget that this year there is virtually no monitoring or auditing whatsoever of how these taxpayer funds are spent. Forget that it pleases a few people in a few districts but angers many more people in those same districts. Forget that it is becoming somewhat of a national embarrassment as our state engages in this practice on average fifty times higher than any other state in the country.

In the last analysis, it threatens the creativity asset that California's economy depends on. It's simply bad business. In good times there may well be funding for those projects, but that funding should not come at the expense of the whole of the arts, for it is the whole arts infrastructure that will supply the pipeline for film, television, and the Internet, that will help to save a currently anemic tourism industry, that will continue to attract the talent California desperately needs to fuel its entrepreneurial advantage. If we go, so goes the state. But if we grow, so grows the state.

I respectfully hope that this committee will address this issue now before it's too late and we lose our creative advantage.

Again, I realize, and so does the arts community, that in tough economic times a sacrifice is required of everyone. The arts have never asked for special treatment. What the arts are looking for is for the awareness that when the economy does recover, and it will, that the arts will have been a player in that recovery through tourism and jobs and the symbiotic relationship with key economic engines, and that

it will be essential to have a plan in place now to make the arts whole again, to invest in this creative asset for everyone's benefit, and that the arts should be a priority at that point in new funding.

So my third request is that the committee might take a forceful leadership role in identifying and assessing what is the best approach to protecting and expanding the creative asset. The fundamental question is this: How can the arts be funded at a level that will return California to a preeminent position and keep it there?

Former NEA chair John Frohnmayer observed a decade ago that "creativity is the currency of the future," and that future is already here. Nothing less than a globally first-class art strategy will suffice if California is to continue to enjoy the successes of the past twenty-five years.

I don't know, Senator, what approach is the best approach. Some states have created endowments to complement general funding support. Some states have designated specific tax income to be allocated to supporting the arts, from cable access fees to video rental surcharges. Some voices in our own Legislature have suggested a bond issue to provide capital improvements funding, and there is currently no fund in any agency for capital improvements for cultural or humanities organizations. Some people in the arts community itself have talked about a ballot initiative that would simply mandate one-tenth of one percent of the state budget to go to the arts.

All of these ideas may have merit. All probably come with attendant baggage and problems. But I know this: If the Legislature will work with the arts community and the Governor, who had been extraordinarily supportive for the arts in his first term, in a committed effort that recognizes the real value to the state of the arts, and works to address the funding needs and the long-term problems, I have no doubt that we can keep our creative advantage alive.

Thank you, Mr. Chairman. I'd be pleased to answer any questions the committee has.

SENATOR SCOTT: Well, you certainly made an eloquent and very passionate plea for the arts, and you placed in front of us as a committee a charge, and we appreciate that. I don't find anything that I would question or I would like to question you further about.

MR. HESSENIUS: I'm preaching to the choir, I know that.

SENATOR SCOTT: We need preaching to, so that's fine.

Assemblywoman Strom-Martin.

ASSEMBLYMEMBER STROM-MARTIN: In your capacity as the director of the California Arts Council – I’m sure this has been a topic of conversation – have you developed a set of criteria in terms of how the state would then judge which projects to fund in terms of priorities?

MR. HESSENIUS: On the capital improvement cases?

ASSEMBLYMEMBER STROM-MARTIN: Yes.

MR. HESSENIUS: Yes. We proposed to the Legislature last year – actually it might be appropriate for this committee. We would have an application procedure. We would certify that those who apply indeed had financial and fiduciary responsibility and were capable of it, without making other judgments, and then turn it back to the committee to make recommendations to us. We could or could not have it go through our normal peer panel review, but once we had certified a list and given it some kind of ranking in terms of an equity distribution geographically as well as on other criteria basis, we thought that the committee itself could redirect to us, working with the Governor’s office, which projects would be of a priority nature. And that was more than sufficient with us.

We recognize fully that there is a historical value for legislators in being able to bring important projects personally back to the district. And I think that’s a good system. It’s worked well for a long time. We just thought we could complement it in a way that protects those who aren’t likely to benefit from that system, even suffer from being absent from it in that way.

ASSEMBLYMEMBER STROM-MARTIN: Right. I think that’s an excellent suggestion. In fact, I think a lot of legislators would embrace having a few parameters. I’m speaking for myself.

MR. HESSENIUS: Thank you, Mr. Chairman.

SENATOR SCOTT: Thank you.

Now we’re going to turn to panels, and I’d like to follow this procedure, if possible. I ask the panel members to step forward and be on the front row so that they could give their testimony. We have a panel on “Building Cultural Bridges.” We have Rudy Murillo, who was appointed as the executive director of the Commission of the Californias in August 1999. Under his direction, the Commission promotes

tangible relationships among the member states of California, Baja California, and Baja California Sur relating to economic development and education and culture.

The other two members of the panel are Tomás Benitez, director of Self Help Graphics and Art, Inc. He has over twenty-five years of experience working in the cultural arts arena. He was instrumental in the USIA Chicano Expressions International Tour. Previously, he served as a consultant for the National Endowment for the Arts.

And the final member of this particular panel, which is on “Building Cultural Bridges,” will be Erica Clark. She’s the senior vice president in charge of International Initiatives at the Art Center College of Design in Pasadena. A long-time project manager in the arts arena, her expertise is in education policy and cultural affairs.

I look forward to hearing from those three individuals, and then we may have questions or comments after the three of them testify.

Mr. Murillo?

MR. RUDY MURILLO: Thank you, Mr. Chairman.

Mr. Chairman, members of the committee, thank you very much for the opportunity to say a few words in support of the cultural bridges concept that you have advocated so effectively and to your credit so persistently.

I’m Rudy Murillo, director of the California Delegation of the Commission of the Californias, also known as COMCAL in its abbreviated form. And, Mr. Chairman, with me today is Nancy Laturno, the executive director of Mainly Mozart. Mainly Mozart is a renowned nonprofit organization devoted to fostering appreciation of music, in particular orchestral music, in California and currently in Baja California.

I also extend the best wishes of the Secretary of Foreign Affairs, Mr. Michael Flores, who, in his role as representative for the Governor, provides both policy direction and project platforms for our delegation to COMCAL.

Upon my appointment by Governor Davis in August of 1999, I was challenged by Secretary Flores and the Governor to develop in concert with the Mexican states of Baja California and Baja California Sur some, in their words, “real projects” in the arenas of economic development, environment and safety, and especially, in the words of the Governor, “education and culture.”

As this committee is well aware, this is a very broad jurisdiction, amounting basically to whatever the three governors of the Californias and their respective

commissioners, the delegations, can do together for the betterment of Californians from Crescent City all the way to Los Cabos.

Committee Member Firebaugh is aware, Mr. Chairman, that the Commission has sustained a measure of credit following the recent announcement by President Vicente Fox that Baja California will entertain up to three sites for importation of liquefied natural gas. Assemblyman Firebaugh, who wanted to be here today, I'm told, can attest from his participation in our business roundtable that the LNG is a very important ingredient as a competitive fuel for the power industry.

Now, we're also reaching out to the youth of all three states with the Young Ambassadors Program which recently hosted baseball diplomacy, maybe akin to ping pong diplomacy for those from my generation, at Tony Gwynn Stadium, at San Diego State University.

I appreciate the time that you and some other members of this panel took to promote these COMCAL endeavors, not the least of which is the present subject which is the Orchestra of the Californias. The clerk to the committee was kind enough to distribute some draft brochures. This second generation brochure is far from complete, a picture being worth a thousand words. They are in front of you now.

The ink on the announcement that Barry Hessenius was appointed by the Governor as director of the California Arts Council was not dry when I reached out to Mr. Hessenius by phone to, one, congratulate him on his appointment, and two, my real motive, prevail upon him for some critical cultural bridges foundation work, if you would. I'd like to say that Mr. Hessenius and I overcame long odds to win approval by the California Arts Council for the critical seed funding needed to launch the Orchestra of the Californias. But, in fact, the truth is the Council, and Chairman Fogel in particular, was in every respect, in my view, anticipatory and visionary, indeed prescient, regarding the merits of promoting cultural unions amongst the Californias.

Through the celebration of music, education tentacles of famed musicians, the distribution of instruments to young people, and the support of community-based art projects, the Orchestra of the Californias will be able to leave a mark and a legacy with children in La Paz, Loreto, Mexicali, Tijuana, San Diego, San Luis Obispo, and Los Angeles. The California Arts Council and this committee share in this accomplishment.

The central tenet of the Orchestra of the Californias is that the three Californias, when they were one, were not a geographic accident. Rather, 18th century California was a thriving territory with such growing pains that eventually the fabric and the seams separated. The seams were an incorporation of language, traditions, a rich mission history from Loreto to Sacramento, and a celebrated appreciation of the arts. Much of the commonweal could be attributed to Mexico, but it was also singularly capable of blending contributions from U.S. territories, from England, France, and from Russia. Ironically, its promise became its partition.

Political borders notwithstanding, these seams are still evident, and they create their own promise of cultural and educational enrichment to be explored and enjoyed by the three Californias together and is bound to bring us closer.

The Orchestra of the Californias, as you can see from the brochure, has myriad moving parts that require a competent guide, and I am not that person. So, with your permission, shortly Ms. Laturno will return to this vein.

At this point, Mr. Chairman, I would like to inform the committee of the mechanism by which the OC, the Orchestra of the Californias, will function. The \$50,000 direct grant from the CAC will be earmarked in accordance with statute for that portion of the program undertaken in our state, in California, but it will be complemented by individual and corporate tax deductible contributions from persons and entities in all three states and augmented further by in-kind contributions. COMCAL has established a project fund under the auspices of the International Community Foundation which administers charitable grants on both sides of the border. And the ICF, in turn, contracts with Mainly Mozart, which itself is a nonprofit organization, and they will coordinate the components of the project, many of which are described here.

Mr. Chairman, off the record, I was impressed by what was said earlier. In times such as these, it seems to me that young people, whether they be in this state, in Baja California, or in Baja California Sur, it's plainly evident what adults have accomplished and what troubles have ensued. But it should also be evident of what people from our generation can accomplish and will accomplish in the arts as the ideal vehicle at this time, especially in light of what has occurred. It's not only an opportunity to step back and enjoy the arts per se but to appreciate all of the talent that goes into producing the right kind of thing.

Particularly right now, the Governor, when we had our baseball tournament – it was designed to begin next spring – we moved it up because the sense was we cannot stand here with our hands at our side, and the wind isn't always going to be behind us, and it certainly isn't now. But maybe now is the time when we have to really move forward into the wind.

Now, depending on the committee's wishes, Mr. Chairman, I can either answer questions at this time or wait until you have heard – I will cede the few minutes I have left to Ms. Laturno, who can brief you on the chronology and the elements of the program.

SENATOR SCOTT: All right. We are on a tight time schedule, so we will ask people, if we're going to have additional people, we need to have them come up very quickly and make a comment.

MR. MURILLO: Very good. Thank you, Mr. Chairman.

MS. NANCY LATURNO: Thank you. I'm Nancy Laturno, executive director of Mainly Mozart.

This intensive eleven-day festival features Mexican and American artists and programs beginning in the Baja Sur cities of La Paz and Loreto and continuing to Tijuana, Mexicali, and Ensenada in Baja California, and then to San Diego, Los Angeles, and San Luis Obispo in California.

Orchestral and chamber music concerts, museum and gallery exhibitions, in-school programs, master classes, and distribution of instruments to aspiring student musicians of need are highlights of this festival which is designed to enhance cultural and educational cooperation and collaboration among the three states.

The festival opens on Thursday, February 7th, with a general conference and official reinstallation of the tri-state Commission of the Californias, headed by the governors of the three states. The celebration ceremony will feature a performance by the acclaimed Cuarteto Latinoamericano. The Orchestra of the Californias will be directed by internationally acclaimed conductor Maestro David Atherton and feature Los Angeles Philharmonic concertmaster Martin Chalifour as our concert master and soloist. The all-star orchestra is comprised of top musicians from this nation's orchestras and institutes and will present the first of its six performances on February 9th in La Paz. Proceeds from all concerts will directly benefit student youth education programs in each of the communities served.

A program of Mexican music will be performed by an ensemble of Mexican artists – again, featuring the Cuarteto Latinoamericano – in a total of seven concerts across the three states. The Cuarteto will also offer master classes for the combined and very fragile youth orchestras of Baja California as well for homeless high school students in San Diego. A free chamber music concert for students will be performed in Mexicali’s state-of-the-art Sol Del Niño Children’s Museum as part of the program. The Living Mozart, an in-school program designed for students ages 7 through 12, will be performed in English and Spanish in low-income elementary schools in Tijuana, Mexicali, San Diego, and Los Angeles. Also part of the program, 3,500 disadvantaged students will be provided free transportation and admission to the Museum of the Californias in Tijuana to better understand our shared cultures.

Key to this program is the use of proceeds from ticket income: all ticket revenues being designated by each of the three state governments to benefit youth charities in each of the communities served. Musical instruments will be distributed in partnership with community schools and music programs to music students who cannot afford to purchase them.

The series closes on Sunday, February 17th, at the San Luis Obispo Mission, having completed fourteen concerts in seven cities, in three states, four of them along the mission route, and reaching over 10,000 school children all in the eleven-day period.

Thank you.

SENATOR SCOTT: Thank you.

Mr. Benitez?

MR. TOMÁS BENITEZ: Good afternoon, Senator Scott, committee members, Chairman Fogel, and Director Hessenius, as well as all the colleagues that are always so good to see. We are very lucky to belong to this community of people that have the great pleasure of being part of the infrastructure that serves the arts and culture of the state of California.

I like to tell people, I get to wear many hats today, which is why I have such a big head. I’m director of a community-based arts organization in East Los Angeles called Self Help Graphics. I always tell people that we started off thirty years ago as a small, humble, community-based, grassroots organization, and thirty years later we are a small, humble grassroots. But we’ve been able to acquire a national following

and an international audience, and it's through the endeavors of those artists as well as working with the colleagues and the infrastructure that I alluded to earlier.

I also have the great pleasure of serving as the appointed representative of the county Arts Commission for the county of Los Angeles. And also, I'm here today as a member of LAN, Latino Arts Network, which is an infrastructure group that I will allude to in a few minutes.

Back in '94 when we were in the middle of Johannesburg under the new Republic of South Africa with that Chicano Expression show that you mentioned earlier, I was taken by the fact that as people were looking at these fifty pieces of artwork that had come from this little place in East L.A. by these mostly California Chicano artists, that they were very quick to point out how amazed they were at this tremendous American art that they had not seen before. To that end, they kept saying to me, "You Yankees are really doing some great stuff."

It's hard for a boy from East L.A. to be called a Yankee, but I began to understand how right they were; that what we do is, in essence, an extension of the American expression. What many of us do in our respective and relative communities through the arts and culture has essentially fortified that expression.

We are here to educate and enlighten as well as to preserve, create, capture, and express who we are as a daily life. And California is rich. We are the richest state in terms of artists working and living in the United States.

Now, we know that much of what has happened as a result of 9/11 leads us to this level today. We're dealing with some very difficult economic decisions. You will find in history that the arts and culture has always done its role, taken its fair share, and, indeed, has often suffered cuts that perhaps are best characterized as "disproportionate" to other agencies and departments, sometimes because we have been profiled as being "less than vital." But I would ask you this: Would we address a fire by cutting up the hose? Would we perhaps address stemming a flood by jumping out of the boat? We are rich in the resources of art and culture. Now is the time to not consider how much you cut the arts but how much you add to its support. I'm going to be bold and arrogant enough to suggest that to you because we provide solutions that only through the arts and culture can we begin to bridge certain things.

In Southern California the economy was suffering before 9/11. Throughout the United States we'd already seen a downturn. Nine-one-one accelerated and amplified

some problems that already exist. Some of those problems are difficult to contend with. Diversity in California is constantly proffered as an asset and a resource, but the reality is we've got a long way to go. There's a tremendous amount of ambassadorship; there's a tremendous amount of dialogue that needs to be broached through avenues of civil discourse.

In the morning of 9/11, I tore myself away from the TV, and I took my son to school, and I walked into Starbucks, because even though I'm a community-based guy, if I don't start off with French Roast I'm just not going to go to work.

I walked in, and as I walked in I held the door open for a woman who happened to be walking in front of me, and she was wearing a burnoose. She was wearing a pair of jeans and a burnoose. She was a Californian. We were both given the same dirty looks by the guys that were sitting at a table outside. It was a tough day. It was a tough day for all of us. And I thought to myself, *My goodness, that woman is going to have a tough day today*, but we were both being given the same dirty looks that underscored what I've known, is that we've still got some work to do in this state and we've got the chance to do it. Fifty-one percent of this state by the year 2040 is going to be Latino. The majority of that is going to be living in Southern California. The majority of that is going to be living in Los Angeles County. The majority of that is going to be living in East L.A. We are working at the heart of East L.A. I'm very aware of the demographic shift. I'm also aware of the schism between engaging in dialogue and coming to the table as a fair partner.

What LAN, Latino Arts Network, represents is a great idea that is one element of a great idea that reflects leadership in California. Thanks to Chairman Fogel and Director Hessenius and all the good, hard-working people at the California Arts Council, we've created networks of groups, not to separate ourselves but to help concentrate the dialogue, to help how we can present ourselves as a partner with tourism, as a partner with economic development, as a partner with social and educational priorities that this state desperately needs. And so these networks have been put together because, frankly, we don't have time. I save things like that for the second Tuesday of every week, but through LAN, we're able to use those resources to help network with other organizations and collaborate with other groups so that we can create, indeed, a true matrix not only between different ethnic groups but between different disciplines and between different levels of organizations.

This has been the brainchild of an initiative which is now threatened, and I would say to you that instead of being in a position of being threatened, it should be fortified because this is actually creating a model by which the nation can take a look as an example the infrastructure networks that have been created through this pilot program of the Arts Council this year. It's been vital to our organization. It's been vital to our members. It's been vital to the members of the Black theater groups that have been represented in one of these infrastructures, to the Asian and Pacific Asian groups that have been represented, and I think that it's a resource that the state is actually going to benefit from in the long run, lest we support it.

So again, going back to that arrogance and ambition that I spoke to earlier, instead of always thinking about the arts, because, frankly, after 9/11, I began to think, and certainly I prayed with all my fellow Americans about the loss and fortified my patriotism, but a week later I was also thinking like everybody else: *How much is this going to cost us?* I know that across the board with my colleagues and other directors, because we call each other up and we whine and complain, but we do talk to each other about, *What's it going to cost? How do we survive this?* I'm proud to say that after thirty years we're still here and _____ is not. We'll still be here.

But, I will tell you this, that instead of the arts being the first place to cut, make it the last place to cut. Make it the place where we know that we can resource the talent and the riches. You've got gold buried in them hills. That's California. That's our tradition. Let's mine the gold.

There was a very well-respected and well-known art critic for the *Los Angeles Times*, hardly beloved but well known and well respected, who wrote about a month ago saying that the arts is not expected to shoulder healing. But I would say to you that if you take a look at the tradition in California, healing is one element of what the arts and culture has been doing in its history, in its legacy, of both state and public-private support, and practiced in communities and by families. It's how we tell each other each other's story, and I think that in there, that dialogue, we can really begin to recuperate from this circumstance.

We will, of course, take our part, play our role, take our cuts, but I would ask that we consider for a moment that considering the investment that we have, which, as we know, for every one dollar eleven dollars returns, that we consider making

money by putting more money into the arts, by rebuilding the economy by putting more money into the arts, and by moving our society forward.

I'll leave you with this one last thought, and then I'm done. It's the old Japanese proverb. Most of my colleagues have heard me speak and have heard this before, so you can go ahead and go to the bathroom now. But there's the story of the Japanese man, a starving man, who's walking down the road and he finds a yen, and with that yen he tears it in half and he goes and he buys himself a bowl of rice, and with the other half he buys himself a piece of art. And the vendor says, "Why did you do that?" And the man says, "Well, with a bowl of rice, that was to feed my stomach, but the piece of art, that was to feed my soul."

And so I would ask that you consider that now is a good time to nurture the soul of California, and we will all benefit from that in the future.

Thank you very much for your kind attention.

SENATOR SCOTT: Ms. Clark?

MS. ERICA CLARK: Good afternoon, Senator Scott, members of the audience. My thanks to you and to the California Arts Council for convening this very timely forum. My name is Erica Clark, and I'm senior vice president of International Initiatives at Art Center College of Design in Pasadena, nearby. I feel very privileged to be part of this illustrious group.

I think the title of this forum, however, if I could make one suggestion, should be "The Arts Advantage to and From California to the Changing World." We can easily justify more arts funding by considering what California provides to the rest of the world in terms of creativity, innovation, and economic stimuli via the arts and design.

I speak for Art Center College, which, since 1930 – that's for over seventy years – has been acclaimed as one of the world's leading art and design schools. At our school more than 1,400 of the most talented young people – and I would add that they're from thirty-eight countries, including the United States and Southern California – are engaged in developing their immense creative gifts in the arts, and particularly different aspects of design, and bringing these gifts into the world as viable, necessary professionals who make an incalculable difference in the world that we live in. They're really at the root, they're at the pivot, and it's their funding that we're talking about too, whether directly or indirectly, in the issues that we're debating today.

Diversity is not a problem, in other words, at Art Center. We're besieged with applications from all over the world, not just because of our educational reputation but because young people perceive California as the most vital, open place in which to learn and be creative. It's no accident that Art Center was founded in California. In 1930 and now, this is where the edge is and where it should continue to be.

So now it's our task at Art Center, and I would say for many of us in this room, more than ever to ensure that we retain the qualities that bring our students here from all over the world. We have to be more sure than ever, and especially after September 11th, that we are not just a California school, not just an American school, but a school in the world. American students must go beyond their U.S. roots as well and go out into the world and be students of the world. One of our most famous alumnae is Jay Mays who's the head of Ford Design worldwide, and he said you can't even consider yourself a designer until you've lived in other cultures, and I think that's why other students from other countries come to us.

Much has been said about the fine arts and their essential role in education and society, and there's endless more that can justifiably be said, but I'd like to talk about design itself as a cultural, social, and educational bridge builder as well. I think that too little is said about this, and it's time to expand our awareness of the absolutely fundamental links between design and the quality of everyday life.

But I'd start by saying that designers are artists. They employ creative processes like artists. They are visually gifted like artists. They use media like artists too, and they strive for aesthetic results. Barry alluded to this admirably in his opening remarks, and I think it's wonderful that he did so.

Most importantly to the rest of us, however, designers are problem solvers. They employ a range of techniques and methods to identify, think about, and try to improve various aspects of daily living. Creative design always accomplishes this but frequently to the point where it becomes invisible or simply taken for granted, and that's why it's marginalized. But we live in a designed world and especially in California and here as nowhere else in our most populous state and the one that's going to be increasingly so. The future literally rests on good creative design: the design of our cities, of our transportation, furniture and appliances in our homes, devices for the disabled and elderly, medical instruments. So this also means, as

much as anything, design that also appeals to and works for people from the vastly different cultures who live here.

But by this I don't mean that design must be the great homogenizer. What's fascinating about creative design is how it reflects the essence of specific cultures or the blending of cultures, such as is happening in California today, and then transmits a message of function and usability to other cultures as well.

So this is where "from California to the world" comes in; how the arts and design must continue to give California peerless stature in giving expertise to the rest of the world.

If the best defense these days is the economic defense, and never mind the spiritual healing, intellectual invigorating aspects of art and design, to which we've already heard and I'm sure we'll hear a lot more this afternoon, then let's just take one of our smallest departments at Art Center – Transportation Design – and its incalculable economic effect on California and the rest of the world. We have many other areas as well as Art Center. We work with graphic design, film, photography, digital media, environmental design. But just for the purposes of today's discussion, I'll concentrate on this one very obvious area where this economic impact is enormous.

Today, approximately half the transportation designers in the world are graduates of Art Center College of Design. That's right – half. The design heads of all the major car companies are or have been Art Center alumni. Most of the major car companies have their primary design studios in Southern California. Graduates of our Transportation Design Department are not only employed in these studios, they also return to Korea, Germany, Sweden, Japan, Italy, Brazil, where they become their country's leaders in the field.

As with so many things in design, however, California is the center, the oracle, for transportation products. For better or worse in terms of the environment and gasoline consumption, Southern California is the world's most dynamic car market. The rest of the nation and big chunks of other countries' economies depend on this.

So this is just one example among many. We can all figure out what happens if we take away support for design education in California. And I would say it follows suit with graphic design, film programs, photography. This is the creative hub.

But creative design is not about rampant consumerism. Design is really about thoughtful, creative business and industry that we all need, and increasingly,

designers are recognized as central to the future of the economy and our long-term wellbeing. Students and graduates in our Transportation Department, for instance, are also thinking about environmental issues. They're well aware of the need to make automobiles that consume less gas, use alternate energy sources, hold more people, function as part of larger commuter systems, and adapt to needs in other countries. And more and more they're designing mass transit systems as well.

So needless to say, the ability of our design students to deal with these ongoing challenges will have profound effects on California's urban fabric and other areas of the world as well.

In my one minute of remaining time, let me just add a project that one of our leading recent alumni did. He designed a car for use in India that can be manufactured and produced for \$2,000 and that responds to needs in other countries. It's based on work like that that we are about to start a kind of design peace corps that identifies problems here in California and in other world regions as well and works with teams of designers, faculty, students in those countries to address those problems. That's the kind of thing that California and designers in California can bring to the world: design with a humanitarian edge.

That's what really design is about, and we hope that through the arts that these students learn as part of their elementary schooling, as part of the fabric of the community. We hope that that will be funded to the maximum degree possible. It's no longer possible to marginalize the arts and design. They need to be marbled into the larger society in which we live.

Thank you very much for your time.

SENATOR SCOTT: Would members of our legislative panel like to direct a question or two or make a comment about the three previous speakers?

The only reason we're trying to suggest that we watch our time is that we have ten more presenters this afternoon. I think we all want to get out of here, so we've tried to follow a fairly strict schedule as far as your timing is concerned.

Well, the next one is very important also. It has to do with "Arts Education." We have some superb presenters along that line. We're going to move the order around just a little because Deme Larson, an art teacher and a member of the Board of Managers from the State PTA, must go to another meeting. We have Steve Lavine, Sonia Hernandez, and Dr. Alan Steinberg, all of whom are involved.

Now, let me say just a brief word about these individuals. Deme Larson, she's vice chairman of the Parenting Education Commission for California State PTA. She's currently a full-time middle-school teacher and has been a long-time advocate for arts education.

Then Dr. Lavine is president of the California Institutes of the Arts since 1988. Previously, he served as program manager for Arts and Humanities at the Rockefeller Foundation, with special concentration on media and museum.

Sonia Hernandez is president of LAAMP/LEARN Regional Education Reform Alliance in Los Angeles, an organization that advocates on behalf of the school children in Los Angeles. She was previously a chief advisor and policy coordinator to the Superintendent of Public Instruction Delaine Eastin.

And finally, Dr. Alan Steinberg is a distinguished and accomplished professor at UCLA. He is currently the director of research of the Trauma Psychiatry Program in the Department of Psychiatry and Biobehavioral Sciences.

Ms. Larson.

MS. DEME LARSON: Thank you. I have students waiting for me, so I really do appreciate this. We're making Christmas gifts this afternoon, and I promised them we'd get back in time. So thank you.

When we talk about arts education, it is very personal for me. It isn't about a bunch of facts and figures or high platitudes. It's about the students who walk into my classroom every single day. It's about Pablo and Miguel and Cherena and Andre and all the other students. I have children who come into my classroom who are hungry, but I can still teach them. It's harder, but I can still teach them. I have children who've had parents shot right in front of them. I've had children who've lost parents for a myriad of reasons, and I can still teach those children. It's harder, but I can still teach them.

What I can't do is teach those children who don't want to learn, and that's where the arts come into it. The arts are my hook. The children come to find me in the morning. They never ask me what's for lunch, but they always ask me, "What are we doing in art today, Mrs. Larson?" That's our hook.

When I think about all the individuals and all the ways that the things have gone on in the arts, and somebody said to me recently, "How can you even think? How can you focus on the arts after what's gone on September 11th?" And my very

quick response was, “How could we not?” I was with those children the day that September 11th happened. Most of them came into my classroom after hearing snippets, not really having a very clear picture of what had gone on. Most of their parents had already left for work. They came into my classroom, and they were talking to me, and their real concern was whether or not they were going to be bombed in Little Rock. They really believed that. So we discussed it, and then we went on to a drawing lesson, and I put on what they call my “tip-toe” music. And we sat there, and it was a peace that came into our classroom, and that’s what the arts did for them that day.

But my students aren’t alien to violent environments. They live everyday with violence out where they are. Many of our parents have moved out there to get away from innercity schools and problems that have associated with that, and they bring gangs and everything else with them. My very first year there I reading an autobiography by a student, and she was talking about how she had been molested at age 4, lost her virginity in first grade, been on drugs by the time she was in sixth grade. But she was straight now. She was in foster care; she was away from that family. She said she wanted to go on to be a lawyer.

Another boy was talking about how his mother had been on the way to prison to visit his father but she’d had an accident, gone through the windshield, and she’d been a vegetable for a year before they had to turn off the life support, but it was okay. They put her ashes on the TV with his two cousins who had also died that year, and now they all watch the same television shows together.

And that’s where my children live. So violence isn’t new to them. But I will tell you, when they come into my classroom and when we’re doing art, that’s when you see the difference.

I had one student who had been kicked off many other pods. She landed in my classroom. She was one of those kids who sort of pushed the envelope. She wore the black mascara, the black bra with the see-through top; you know, always pushing things. Came into my classroom. I always try to tell the children to block out the rest of the world and what people think and let the muse within you speak to you and your media, whatever it is. One day she gave me this “Mrs. Larson, Mrs. Larson! Come here, come here!” And I looked over and she looked up at me with her eyes swimming with tears and she looked at me and she said, “It was just like you said. I don’t know

how it happened. It just happened.” And she had this beautiful dolphin in front of her, and that made a difference in her self-esteem. It made a difference in her classroom attendance. It made a difference in her academic behavior.

And I have many students like that. Students, they warn me about “Watch out for [so-and-so’s] dad. He’s going to come in, he’s going to threaten to beat you up.”

“He’s the class clown, he can’t learn. He’s dumb.”

Yet, when I get them in the classroom and we do these little tricks where we do social studies plays or I’ll have them draw pictures from their literature book, they want to learn. Miguel said to me – he had a .42 at the six-week progress. His dad never threatened. He said, “I don’t think I want my dad to come in and see you. I don’t think so.” And Miguel, by the end of the year, brought his grade point average up to 1.82, and at one point he said to me, he said, “Mrs. Larson, I never knew I could learn. I always thought I was dumb. I didn’t know I could learn.”

That’s wrong. We owe our children more than that.

It goes beyond everything I can tell you. It goes beyond cultural diversity. One of my favorite ways to teach intolerance or lack of tolerance is Eve Bunting’s book, *The Terrible Things*. First it looks like a storybook about little bunnies and rabbits, and at one point the terrible things come and they take away the frogs and the fish one by one, and then they’re left with just the white bunnies, and the white bunnies say, “Well, they aren’t going to come for us. We’re the white bunnies.” But, of course, they do. And the little bunny laments the fact that if they’d only stood together in the beginning, maybe they could have made a difference. And, of course, it generates lots of conversations, some of it pretty startling, but it gets us on the conversation. We go on to do a reader’s theater. We act it out. We show it to younger children. But it’s a way to reach the children in another whole unique way.

The arts talk in so many ways to the children’s self-esteem. One little girl, Brynne, not my brightest student, not the brightest student probably any of us will ever see. We were looking at a collage by Paul Goodnight which showed innercity children’s faces, and it was called *Extinction*. None of the children could really figure out what they were talking about. We live out in the desert. All of sudden Brynne raised her hand, and she said, “Is it sort of like the buffalo?”

I said, “Explain that to me, please.”

She said, “Well, remember how there used to be a lot of buffalo and they all got shot? Is it sort of like that? Those kids in the innercity, are they getting shot too?”

The entire class turned around and looked at Brynne with a gasp, and from that day forward, this little girl who wasn’t very bright, I had to save her for the last before she could discuss the picture. We couldn’t call on her first. We had to wait. And all the kids were “Brynne, Brynne? What’s it say? What’s it about? Brynne, Brynne.” And her self-esteem just knew no bounds.

This is what the arts are all about.

California State PTA is very motivated with our Assembly bill, AB 867. It’s funding for the arts. We truly hope that teachers don’t have to go around begging for arts. We hope that children don’t have to ever want. We hope that teachers don’t ever have to need. They have art instruction. What we hope is that it’s part of every funding for every single classroom.

The arts aren’t a frill. They are the soul of education. Do we want children who are cookie-cutter children who can’t think for themselves? No. We want children who can go on to be a member of the community. And I will tell you that the arts are a way to get it. The arts are the soul of education.

Thank you.

SENATOR SCOTT: Thank you, Ms. Larson. We can understand why you’re an effective teacher. You just taught all of us.

Our next speaker is Dr. Lavine.

DR. STEVEN LAVINE: Mr. Chairman, Assemblywoman, I thank you for this opportunity to address you, and I thank you for taking the time to do this important work when so much else is happening in our state.

I’ve been asked to speak about the role and value of arts education. As president of CalArts, the nation’s first institution of higher education in both the visual and the performing arts, I’m deeply aware of the role and value of arts education to individuals and to the society in the development of informed and diverse citizenry.

But I also know that we can’t wait until college to sow the seeds of cross-cultural understanding and of civility. For that reason, for the past eleven years CalArts faculty and students, for example, have teamed with community-based art centers throughout Los Angeles County – I don’t know if Tomás is still here, but Self

Help Graphics is one of our partners – to provide arts education to more than 85,000 middle and high school students from Watson, the Santa Clarita Valley, through the CalArts' community arts partnership.

The state, through the California Arts Council, has been a very important supporter of this public-private venture. That state support came early. Now we're receiving federal funds for this activity as well.

Through its new digital partnership, the community partnership links eleven participating sites electronically, so that youth – for example, at East L.A.'s Plaza de la Raza or downtown L.A.'s Innercity Arts, Pasadena's Armory Center, other participating art centers around the county – can engage one another in real time. Can engage in art projects together and discussions with their peers in other communities, often other children that they're really afraid of, children who they think speak different languages and have other values. By working on the arts together, they discover that they live in the same world and really care about the same things as most of us do. And, of course, while engaged in these projects, these young people are developing computer skills that will open jobs to them in the future.

Recognizing the importance of this activity, the Digital Arts Network is now funded by the federal Department of Commerce – this is young kids – but funded as a jobs preparation program, not as an arts education program; although, the students are junior high school and high school at the point they're in the project.

This month, the power of the CalArts' Digital Arts Network was put to a new use: linking students at CalArts with students at a public high school in Manhattan that had been closed as a result of the terrorist attack on September 11th and students in a private high school in Amman, Jordan. Together, these students exchanged digital artwork and conversations expressing feelings about the terrorist attacks, learning from each other and confronting their own fears and prejudices generated or exacerbated by those attacks. It was achieved through the use of expression, through artistic expression, exchange, and reflection on the art they created and shared.

When my colleagues talk about infrastructure, I think part of the point we're all making is that that conversation could take place now because the project had existed for years in advance and the mechanisms exist when you need them. If you cut back, they aren't there when you do need them again.

We were able to do this successfully because of the knowledge and experience gained over the years. We know firsthand the power and the impact that arts education can have on individual student achievement, socialization, and psychological development, as well as in building cultural bridges, promoting tolerance, and ameliorating fears and prejudices among our youth in this most ethnically diversified of states.

I'll defer to my other colleagues on this panel to point out the scientific and empirical findings drawn from studies of childhood development and student achievement that demonstrate the importance of arts education in the classroom at an early age.

Since I represent an institution that trains young artists so that they can flourish as artists in the real world, I want to take a moment to speak about the role and value of arts and arts education in creating good jobs and preparing the job for us that's essential to the economy of California. We've learned from our own past, as well as that of other nations, that the availability of good jobs in a vibrant economy is as much a civilizing factor in a society as any effort at cross-cultural understanding.

Perhaps more than any other state, California has relied on the imagination and innovation to fuel its economy, which, as someone else said today, is the fifth largest in the world. From entertainment and technology to tourism, imagination and innovation have earned billions of dollars year after year in California. The role of arts and arts education in these enterprises is fundamental. They remain our leading laboratories of imagination and innovation.

The contribution the arts make to California's \$28 billion-a-year entertainment industry is without question. They're the actors that you see on the screen, the directors who you read reviews with, but every set dresser, every designer, that huge workforce, is mostly educated in the arts, in set design, in costume design, in the technical areas as well as the highly visible ones. Moreover, many leading consumer product designers and content providers in California's \$150 billion-a-year high-tech sector were trained as artists.

It's an interesting sidelight that when that world began to grow, a great source of workers for them were musicians because musicians had taken on electronic music thirty, forty years ago. They turned out to be people with advanced computer skills, and when you look at who's actually working designing silly things like video games,

you discover these classically trained composers with advanced technical skills that they've learned as part of music making.

According to the Los Angeles Convention and Visitors Bureau, the number of vacation travelers to Los Angeles alone rose from \$20 million in 1995 to more than \$25 million last year. Equally important, their impact on the Greater Los Angeles economy rose from \$9 billion to more than \$13 billion annually. The Los Angeles Convention and Visitors Bureau, which I know will speak for itself later, credits the abundance of art and cultural activity in Los Angeles as the leading factor in the city's elevation to a destination of choice for affluent, influential, and discriminating tourists. This welcome development, and the jobs and economic stimulation that come with it, can't be unique to Los Angeles.

When the new Frank Gehry-designed Walt Disney Concert Hall in downtown Los Angeles opens in fall of 2003, it will be one block from another great building, the Raphael Moneo-designed Los Angeles Cathedral, and diagonally across Grand Street from the Arata Isozaki-designed Museum of Contemporary Art. This collection of great buildings will constitute a destination in itself for cultural tourism from around the world. A destination that could only have been made by the contribution of contributing artists; in this case, the great architects who designed the buildings.

I'm proud to say that CalArts will play a role in that success. Disney Hall will be the home of REDCAT – the Roy and Edna Disney/CalArts' theater – which, when fully realized, will likely be the West Coast's most prominent home for experimental, risk-taking, imagination, and innovation in the arts. At REDCAT, the artists who will drive the economy in the future will first test and display their creations. They will build on CalArts' tradition of innovation and excellence in arts education that has produced critically acclaimed work in art, dance, music, film, and theater, and has spawned commercially successful entertainment ranging from the musical, *The Lion King*, which continues to sell out despite the downturn in the economy and the tendency right now of people to stay home, ranging from that kind of live activity to the whole new area of computer-animated feature film.

Julie Taymor, the creator of the stage version of *The Lion King*, began as a theater student at CalArts and first worked in a small theater like REDCAT. Pixar, the creator of the mega-hits *Toy Story* and *Monsters, Inc.* was founded and continues to be led by CalArts graduates.

The time is short, so I will skip a lot of what I was going to say and go to the end. I was going to quote you a national poll which comes up with roughly the same figures: 79 percent of Americans saying they would pay extra taxes in support of the arts.

I guess the point I would want to close with is that we don't question that in the industrial world that there needs to be experimentation and research to get to the next product. That's as true in the arts and in the economy the arts drive, and that activity starts in arts education in the schools.

I wish there were time to talk about all the other good things. None of this is why I'm in the arts. To me, it's about human conscience and how we live in this world of ours, how we think about events like September 11th, live through them and get beyond them. But there are very good economic reasons, and I hope you'll use them with your colleagues at the state level.

Thank you, again, for undertaking this important work.

SENATOR SCOTT: Thank you.

Sonia Hernandez?

MS. SONIA HERNANDEZ: Good afternoon. My name is Sonia Hernandez, and I'm president of the Los Angeles County Alliance for Student Achievement. Different from the name that you used earlier, I could not remember what LAAMP/LEARN Regional Alliance stood for or what it meant, and I figured if I couldn't, nobody else was. So we'll go with Alliance for Student Achievement.

First of all, thank you very much for holding this hearing. When I first met Barry Hessenius years ago I told him I was not an arts advocate, I'm an advocate for children. It just happens that the arts happen to be very good for kids, so here I am speaking on behalf of the arts.

As I'm thinking about where you're sitting and what you're going to be facing when you get to Sacramento, I thought maybe a different way of organizing my presentation might be helpful to you. I know, for example, having worked in Sacramento for several years, that the LAO has, for every year, good and bad years, has always underestimated the state revenues, anywhere from a half a billion to two billion dollars. My sense is that come January, and come the next time she releases her report, there may be a little bit more money on the table than was previously anticipated. So I want to give you lots of reasons why, when that money gets back on

the table, that you think about putting it back in the arts, and there's some very, very good reasons.

One of them, as a researcher and as a policy analyst, let me tell you, one of the things that's extremely important to me is lessons learned from the past. Prop. 13, with the passage of Proposition 13 to the present, we saw an extraordinary erosion of the K-12 infrastructure. Everything from facilities to teachers' salaries. Right now we're at a point where we've finally started to build a solid foundation for the arts, a little bit at a time. So if you lose ground on it, the ability of time and everything else that plays against us to rebuild that infrastructure is simply not there. It won't help. So my thought is that if whatever we can say this afternoon helps you to arm you to do the right thing on behalf of kids in the arts, then hopefully it will have been beneficial for you.

So here's where we are in terms of thinking about arts education. Students with high levels of arts participation outperform arts-poor students in achievement and in other academic areas. The evidence also shows that high arts participation makes a more significant difference to students from low-income backgrounds. Let me tell you, before I came here one of the things that I did was to look at the list of the lowest performing schools that was released by the Department of Education. I went back to see what kinds of arts programs these schools had. Now, I'm not suggesting that this is necessarily causal, but the fact is that they had very little by way of arts education. They had very little except for very small arts programs for the most elite kids in high schools, and that's a mistake. If you really want to address low-performing kids, you'd better pay attention to the arts. Disadvantaged youth in after-school arts programs achieve more in both school and in their personal lives than others in the same socioeconomic cohort, even more than those involved in sports and community involvement programs. By the way, all the high schools that I looked at did have sports programs. I'm not knocking sports, but you've got to have a balance.

The research found that characteristics of arts programs which encourage both risk-taking and adherence to rules led to greater academic and personal impacts on the young people involved.

Continuing trends noted in studies in 1998 and 1999 show that students of the arts in all categories and disciplines outperform their non-arts peers on the SAT in the

year 2000. This is taken from a study by The College Board entitled, “2000 College-Bound Seniors: A Profile of SAT Program Test Takers.”

I raise this one particularly for a very important reason. I’m working with a number of communities in East Los Angeles and in Watson and other parts of L.A. County where there has not been a college-going culture. We’re trying to build that college-going culture now, and the SAT is part and parcel of it, for now at least, unless things change. But certainly we know what makes an impact and what makes a difference in that kind of performance. So as we are trying to get more kids eligible for college, we ought to do everything that we can to ensure that they have the opportunities to do well and to be able to actually become competitively eligible for college, which is one of the things I think the arts brings to us.

A 2000 evaluation study of Project ALL – Arts for Language and Learning – describes a partnership initiative between Inner-City Arts and the Los Angeles Unified School District featuring Inner-City Arts classes in the visual and performing arts. What kind of impact did this have? Well, it improved academic achievement for students in all areas, particularly in language development.

One of things that I’ve found particularly with lower income kids is that, yeah, we can teach them to read, we can teach them to do mathematics, but a real sense of development is brought about when they actually have to perform. They really do get to understand language and literature when they have to live it and it has to become part of them. And this is what programs like ALL have been able to do.

I would suggest that if you really want to look at a great deal of the arts research – actually, the California Arts Council put together a really nifty compendium of research that gives you all of the most important pieces of most recent research, most of it California-based, that addresses the kinds of things that I think would help arm you as you fight on behalf of the arts for Los Angeles, for all of California.

Again, let me just suggest to you that one of the things that the arts do is to help us make meaning within a new context. Getting to understand and make meaning of the world around you is something extraordinarily critical. Right now, as adults, we’re having trouble dealing with the aftereffects of September the 11th. But as adults, at least we’ve got some kind of arsenal ourselves to be able to deal with it. When it comes to kids, you’ve got to be able to give them some avenues where they can express their feelings, where they can express their emotions, where they can

express their doubts and their ambiguities about all of this. Absent the arts, I don't know too many people who could do that; for example, with mathematics. As much as I love math – don't misunderstand – but it is not the most passionate area to be able to express yourself in.

Let me just suggest to you again that when the money becomes available, we're not talking about a whole lot of money quite yet. Hopefully, when you think about restoring the cuts to the arts, you can look at all of us who are here and the many more thousands of people throughout the state of California who are advocates, who will come to Sacramento, who will, under the leadership of Steven Fogel and Barry Hessenius, be glad to give of our time to be able to come say, "This is something that really makes a difference. We believe in this, and we want to come help you in Sacramento fight for the money to maintain this infrastructure."

Thank you.

SENATOR SCOTT: And now Dr. Steinberg.

DR. ALAN STEINBERG: Senator Scott and members of the committee, thank you so much for the opportunity to join in this discussion.

I think I want to make some very focused remarks about a very specific use of the arts in our schools. But first I should say I'm director of the Trauma Psychiatry Program at UCLA. That's in the Department of Psychiatry at the Medical Center at UCLA. And also now the associate director of the National Center for Child Traumatic Stress, which is a new Department of Health and Human Services initiative to establish a national center at UCLA to be a coordinating center for seventeen centers around the country that are working on developing better treatments and services for traumatized children and adolescents nationally. Several of those network sites are actually here in California.

My work is essentially school-based work, and we've had projects in Pasadena, in Inglewood, throughout the L.A. Unified School District, and also in Columbine and Santana High School in Santee after the catastrophic school violence. And we've actually done work overseas in Bosnia and Kosovo, and perhaps soon in Afghanistan, in helping to develop intervention programs for children and families that are horrifically affected by war and catastrophic violence and even natural disasters. Our program has done work in Turkey after the devastating earthquake a few years ago, and so on.

I'm here really to represent kind of the scientific community and really the mental health community and even more, finally, the school mental health community, to tell you that we also realize the importance of the arts in our work and in our schools. We have a tremendous program at UCLA that's been there for twenty years now funded by the California Arts Council, and we need to thank them for their vision and leadership in supporting this kind of program. It's a program called the Imagination Workshop. They're a group of artists, actors and actresses, and writers who work with our patients in the Medical Center but also have done work in schools. We feel that this kind of skill that they bring is an essential complement to the kind of work that we've been doing in developing interventions to help children and adolescents recover after they've been exposed to traumatic circumstances or traumatic losses.

What I've seen that do is I think we can do pretty well helping children with their anxieties. We can teach them techniques to manage their anxieties or reduce their anxieties, to cope better with their symptoms, but we're at a loss to try to help them make meaning out of what happened to them; to understand the world and to develop what I think is critically important: a kind of constructive response to what's happened to them, to find a kind of pro-social way of coping and dealing with their experiences. And what I've seen all too often is that without that, revenge and retaliation only contribute to a cycle of violence. We need help from the art community to teach us how to help children think about and plan a kind of intervention that they would like to take on that's really going to be constructive and useful in the future.

We rely on these artists all the time. We're developing now a program for the PBS for a kind of public health program that we wanted to do to try to help parents better assist their children in their recovery from September 11th, from anthrax that's now been put upon our country, from the fact that we're at war, that our country's now at war, that there's military mobilization going on, and the threat of some kind of impending danger which may produce another kind of mass casualty event in our country. You know, we rely on the artists that are in our midst, in our program and our hospital, to help us really develop techniques of how to really get this across, how to make this something that people will watch, will find informative.

So I just am here really to just say very briefly that from the point of view of people at UCLA and our scientists and our faculty, the artists that are working in our system have the highest regard, and we're beginning now to manualize their techniques so that we can really do a more rigorous investigation of the extent to which this is really helping children develop the communication skills, the interpersonal skills, and the coping skills that really help them better recover from these kinds of catastrophic events.

And I would just say that when you really think of the toll that these events are taking on children around the country, if you want to talk economic impact, if you think about what some of the untoward consequences of maladaptive adjustments to these kinds of events are – you have kids involved in substance abuse – you really see a kind of skewed developmental trajectory of children, and we might be well-advised to put our money into doing more to help these children recover. And I think a crucial part of that is to make these kinds of resources, to continue to make these kinds of resources through the art community available to the rest of us so that we can do better in this work.

Anyway, that's pretty much what I wanted to say. Thank you so much.

SENATOR SCOTT: Thank you.

We can pause here for a moment to see if the panel would like to make some comments about art education. I've found this testimony throughout this hearing to be very, very insightful and helpful.

This past weekend, as a grandparent, my eight-year-old grandson was in our home, and I asked him about his school experiences. He told me he didn't care much about writing, but I noticed that he spent almost the whole weekend, or a great deal of the weekend, with paper and drawing. He loved to draw. He was expressing himself through drawing. And that little personal experience just highlights what many of you are saying, that children, this is not a frill. This is something integral to their learning process and their expressive process.

To you in the audience, I will say we're going to try to have some public testimony, if you'd like, after we have these group of speakers who speak. But I want to remind all the attendees to sign in at the door so we can send out information from the hearing. Many of the speakers have given their testimonies in the written way, and I presume that most of you in this audience are pro-art advocates. I don't sense

that there's somebody here that's opposed to this whole effort. So we want to enlist you in this effort.

Make no mistake about it, those of us who are in Sacramento, the desire of the public makes a real difference. So as we're confronted with the unpleasant task in January of looking at a budget that has to be reduced, both in this fiscal year and in the coming fiscal year, we're going to be hearing from a lot of people, and those of you who care deeply about the arts will make a real difference.

I'm hopeful that one of our speakers who predicted that the Legislative Analyst's prophesy was too pessimistic, I hope that turns out to be true. I would love to see that happen. But I do know that some way, somehow, the signs are pretty clear that, for a while at least, as far as this economy is concerned, it is in a downturn.

Now, I read recently that most recessions since World War II have lasted for eleven months, and they tell me that this one started in March of 2000. So if that's true, all we have to do is wait until February. But I'm not sure that we can count on everything being of that nature. But at least those are some of the comments.

Did you want to say anything, Assemblymember Liu? Okay. Assemblymember Strom-Martin?

ASSEMBLYMEMBER STROM-MARTIN: Well, I guess I just keep thinking about how, when faced, as you say, with the unpleasant realities that we will be faced with in January, we're going to need every one of you in this room to write letters not only to us but to everybody involved in the budget process, including the Administration. I think above and beyond the Legislature, I think the Administration really needs to hear loud and clear the good work that these programs have brought to us, whether it's in the healing arts or whether it's in education or whether it's economic development. We need to just keep kind of reiterating that mantra, so we're going to need your help. So I hope that this hearing will be the beginning of that.

SENATOR SCOTT: Okay. Our next is "Trade and Commerce." We've talked a little bit about the whole issue of arts and how it contributes to the economy, but we have two people who are going to talk about trade and commerce specifically. We have Caroline Beteta, who is the executive director of the California Office of Tourism. She serves also as the first executive director of the new industry-led California Travel and Tourism Commission.

And the second panelist is Michael Alexander, artistic director of Grand Performances, a group committed to bringing the arts to underserved areas. He is the cofounder of California Arts Advocate and a former director of Performing Arts for the city of Los Angeles' Cultural Affairs Department.

Ms. Beteta? Step forward.

MS. CAROLINE BETETA: Thank you, Mr. Chair, members of the committee. As you mentioned, I'm Caroline Beteta, and I serve simultaneously as the executive director of the California Travel and Tourism Commission and deputy cabinet secretary for the Technology, Trade and Commerce Agency.

It's a pleasure today to address this esteemed group and really talk about the commerce perspective of the arts and what our role is with the arts in promoting the arts as part of the overall travel mix for California and the economic impact it has for California in keeping California vital in terms of its economy but also the arts vital through the promotion of the arts.

I'd like to put this in the context of September 11th. I know that's your next panel, but September 11th brought about unprecedented times for the travel industry here in California and really throughout the nation. While the events occurred on the East Coast, the ripple effect was certainly felt here, and I know you're going to hear a lot of that in the next panel.

But it's a really important event for us because post-September 11th, the travel industry came to a virtual stop in the days following the events, obviously with airport closures, theme park closures, museum closures, everything you can think of. And then even post-September 11th, our industry saw a downturn of about 50 to 70 percent in business, which is absolutely huge. We've been able to come back from those events, and we're looking, depending in where you are in the state, about 10 to 30 percent down. But what we think and what we're projecting is that, overall, art tourism economy in California is going to be off about 10 percent for the year.

That's really important because California's the number one travel destination in the United States, and as such, the arts tourists are the most prolific tourist-visitor segment in California. It makes up about 25 percent of the visitor mix for California, and the arts type and cultural tourists are the highest per capita tourist spending segments that we have. So it's a critical component for economy but also for the arts

community in terms of the influx of visitation that we see and the setback that we saw from September 11th and, of course, the resulting recession that we're in.

Overall, tourism in California is absolutely huge. It's one of our top three industries: \$75 billion-a-year industry. We directly employ 1.1 million people in wonderful jobs throughout the state, as well as generate directly \$5 billion annually in state and local tax revenue.

If you sustain a ten percent loss, and again, so much of that is arts and culture, you're looking at \$7.5 billion that we're not going to see this year in spending. We're looking at about 100,000 jobs lost and about \$500 million in tax revenue. So it's really important for us to look at tourism promotion and the promotion of the arts as investment spending for California to keep it vital.

Just to put that in context, you always hear about other states like New York and Florida and their respective tourism destinations, but we're actually one-and-a-half times the size of the Florida tourism economy. We're two-and-a-half times the size of the New York tourism economy, two-and-a-half times the size of the Nevada tourism economy, and five times the size of the Hawaiian tourism economy. We're absolutely huge, and we have the most to lose.

As such, our cultural presence is responsible for California being the most advanced creative society in the world. You've heard it from our predecessors on the panel: fifth largest economy. It's because of our creative force and our entrepreneurial spirit that we are who we are as Californians and as a culture. My organization, California Tourism, has always attempted to personify this powerful characteristic in the development of the "California Brand" as a travel destination in the creation of all of our promotional endeavors, which, of course, always include the promotion of arts and culture.

One of the things we did post-September 11th is shift the national advertising campaign directly in-state to try to immediately generate travel and tourism spending right here in California. So we shifted \$5 million that was used for out-of-state advertising right into in-state. In the last six weeks with our travel industry partners – the California Arts Council for one, and you'll hear from Robert Barrett, the L.A. Convention and Visitors Bureau – we've leveraged that from \$5 million into a \$20 million market endeavor right here in California to generate travel and tourism spending. We know that arts and culture was a key component of that, and so we

feature arts and culture in the television that we produce. The radio. We did eight different radio spots as well as a series on newspaper. PR initiatives. Right now, we're in development of a special California TV series that'll have several episodes addressing arts and culture directly.

In addition to that, we produce a multitude of publications. Maybe you've seen our *California Visitor Guide*. We produce about 600,000 a year, 250 pages. Every part of that guide promotes arts and culture, all twelve official tourism regions of the state. It's all advertising supported by, again, some of our travel partners. Not a dollar of taxpayer money is used to promote and develop that guide. We send it out to fresh leads 600,000 a year.

In addition to that, we produce – for example, this is the new, right-off-the-press 2002 calendar of events where we list a thousand of the top events in California, many of which are arts and culture events that we definitely especially identify in this guide. We produce a multitude of maps as well as driving tour guides; all that talk about arts and cultures throughout. So it's within the multitude of fabric of promotional endeavors that arts and culture are always mentioned.

As well, internationally we've produced an IMAX film on California. Maybe some of you have seen it: *Adventures in Wild California*. We used \$500,000 in seed money and generated a \$35 million global marketing endeavor. That film now is playing in over sixty theaters on five continents, in five languages, throughout the world. Again, the whole message of that film is that the entrepreneurial spirit of California that is inspired by the beautiful and diverse land we live in is just one of the greatest cultures in societies to live in, and it's doing very well.

As well, we have a web site that gets about 5 million hits a month; again, because of the direct links we have to various tourism product and destinations and, of course, arts and culture.

The future for us is that we are so interested and want to continue working with the California Cultural Tourism Coalition collaboratively. It's very important to invest dollars and leverage them through a multitude of partners, and you're going to hear from those. We're looking at building the penultimate in a cultural web site for California – we're in production now – as well as developing cultural tourism co-op advertising to push traffic into that web site.

While these things are a start, there is so much more we can do to stop the decrease in visitation that we've experienced and that you've talked about. For example, if you could just consider our advertising efforts alone, for every dollar we spend in advertising, we get \$339 in travelers spending back into the state and about \$10 in state tax revenue directly. So, if we invest in the promotion of tourism, we're investing in the promotion and the exposure of the arts and keeping them vital, and with that tax revenue, we can drive more into sustaining the wonderful arts programs that you've heard about today.

I really appreciate your time and interest on this very important topic. We're here to serve you and look for more opportunities to promote art and culture.

Thank you very much.

SENATOR SCOTT: Thank you.

MR. MICHAEL ALEXANDER: Good afternoon.

At a typical performing arts program, by this point there would have been an intermission, and if you need to stand up and do the arts equivalent of a seventh-inning stretch, I'll certainly understand.

SENATOR SCOTT: Well, let's do that then.

MR. ALEXANDER: All right.

SENATOR SCOTT: Don't leave; just stand up.

MR. ALEXANDER: That's right.

I'm Michael Alexander, and today I'm wearing a number of hats. I'm the artistic director of Grand Performances, I'm on the board of California Presenters, and I'm on the board of the California Arts Advocates, and I want to touch on all three because their individual contributions to the community and the state are all very, very important.

First off, I am a nonprofit presenter; one of over one hundred arts professionals that are members of California Presenters. We bring to every corner of this state local and touring artists for a public presentation, arts education experiences for our children, and special projects that connect artists and the public. Whether it is the Alvin Ailey Dance Company, California's own Poncho Sanchez Jazz Band, or any of the hundreds of other touring artists that appear from San Diego to Humboldt, it is a presenter who facilitates that vital community experience. And in most parts of the state where there are no major arts institutions – the equivalent of our Los Angeles

Philharmonic or the San Francisco Opera – it is a presenter that is bringing in the high-quality performing arts that that community gets to enjoy.

My organization, Grand Performances, is one of the premiere free summer concert presenters in the nation. We've been told we have the most diverse audience in the country, and we keep developing new programs to build new audiences for our arts programs. And in spite of being free to the public, we pay very honorable fees to the artists.

We have developed a new series recently funded by the Irvine Foundation with a three-year, \$225,000 grant to bring in foreign artists, using contemporary genre to help tell stories and address issues in their own countries; countries that most Americans associate only with folkloric and traditional arts ensembles. We have facilitated post-performance to audience dialogues: programs to help audiences realize that though they all saw the same performance, because of their personal or culture histories they may see these programs very differently. And if our state is to survive, we have to have room in all of our hearts for the various opinions that may exist among all of our neighbors. So we're hoping that that arts program helps develop a broader understanding of the differences that exist in the communities.

What stands out to me from all our research of who is coming to be in our audience is the clear message that cost is the barrier that keeps people from engaging in arts programs. It's not education, it's not age, language, cultural background, or residence. I've seen the very people who clean the offices at California Plaza, which is where our program is based, return at night with their children to take advantage of performances of some of the most esoteric modern dance companies.

My colleagues are doing this type of missionary work throughout the state. They are finding ways to involve more and more of their communities in the arts programs they coordinate. Most sell tickets but most also find ways to reach disadvantaged audiences, to reach children, and to reach others who would otherwise miss this opportunity. And no matter if the public buys tickets or not, there are a number of other economic transactions that are taking place. Our audiences take advantage of everything from the fanciest restaurants to the pushcart hot dog vendors before they come to our performances. They either use public transportation or their cars and park near our performances. They hire babysitters. Sometimes they dress

up. Many times they buy tangible memories of the performances that they've seen in terms of T-shirts, CDs, and souvenir programs.

Studies show that the arts have an \$11 multiplier effect on the economy. Each dollar in our budget gets recycled in the state's economy eleven times. All government funding represents ten percent of my organization's budget, so government money is getting \$110 worth of use using that multiplier effect.

The bigger budget organizations like our state symphonies, opera companies, and ballet have even smaller amounts of government money percentage-wise in their budgets, and thus, even higher multiplier factors for government money.

The California Arts Council has been a vital partner in this endeavor. Both the touring and presenting program and the organizational grants programs have enabled us to expand our programs, provide performing opportunities to new and emerging California artists, and to test marketing and programming concepts.

One thing I must tell you, though the Arts Council's budget is woefully low, and we do need to address that as soon as possible, I have never heard anyone complain that the programs that are managed by the Arts Council are being managed in an unfair way. We realize that there are finite resources, and they have to address a diverse set of demands from various geographic areas, various arts disciplines, the many different cultures in the state, but we can congratulate the current Arts Council and its predecessors for having run a program that has seemed to pass a test of confidence among the arts community as a whole in the state of California.

Which brings me to discuss the arts as an economic factor. Others have been more eloquent and probably worked with greater background information as they've discussed certain of these economic factors, but government works with the private sector in a variety of ways. It buys services, offers tax incentives, underwrites research, and in other ways uses public resources to stimulate business activity. Only the arts are asked to match state money when we provide services that the states want. No bridge builder was told that he could build a bridge over a freeway as long as he could find matching funds.

We accept the matching program because it helps stimulate private sector support and verifies public interest in our programs. But the funds that we receive, and I believe this is true for all other arts organizations, equal about half or less of the

total state taxes that we are responsible for, the taxes paid by our employees and the sales taxes that we pay ourselves.

And you must know that the arts are great job creators. Most of our employees are earning at best decent, middle-class salaries. They are spending their earnings here in California. We are buying our services and products here in California.

But as nonprofits we face unique challenges. The recent energy crisis severely impacted on arts organizations and other nonprofits. Tax credits for small businesses don't help us. Theaters and museums have seen as much as a threefold increase in their energy costs. Costs that had to be covered at the expense of programs.

Now wearing my California Arts Advocates board hat, I'd like to say that the arts community measures its success in a variety of ways; not all financial. The arts community willingly collaborates internally and externally. We look forward to collaborating with a variety of public agencies to address the issues that face our communities. We've reached out to the travel industry and played a critical role in the establishment of cultural tourism offices throughout the state. We work with school districts, as you have already heard. We are involved with sister city programs and international consulates to stimulate better understanding between people and countries. We work with other nonprofits to expand services for all citizens. We want to work with you to address more issues vital to the economy and wellbeing of our state.

At one of my performances, a man came up and told me that he'd been homeless for sixty-three days. He'd had a heart attack, had no health insurance, lost his condo and his car, and if it wasn't for our programs and the public library, he would have gone crazy. I believe that the arts are keeping our whole society from going crazy, and we look forward to working closer with you to help keep California a healthy place.

Thank you.

SENATOR SCOTT: Well, certainly we support anything that will reduce insanity. Thank you for your comments. Would our panel like to raise any questions?

We'll move on then to the whole issue of "Post September 11 Economic Impact" on the arts, and we have four very qualified people to speak on that. First, Nancy Glaze, at the Packard Foundation. She developed an ambitious grant-making program that supports a broad array of artistic and cultural activities. She's the founding

member of the Silicon Valley Arts Fund and a member of the GRAMMY Foundation in Grantmakers in the Arts.

You may go ahead, and I'll introduce each one of them then afterwards.

MS. NANCY GLAZE: Well, speaking of insanity, I am the direct beneficiary of some Silicon Valley downturn, and trust me, it's a little bit insane up there. Hopefully, I'm not the poster child for downturn in philanthropic assets, but it is probably appropriate that I address the subject of arts funding post-September 11th, with the parentheses: also economic downturn that would have happened anyway.

I'm here both as the director of the Arts Program at the Packard Foundation but also with the hat as a board member of Grantmakers in the Arts. I bring that up because Grantmakers in the Arts, as the professional association of arts grantmakers in this country, has been really looking very closely at how arts philanthropy can do a better job of reaching across sectors.

I've heard a lot of a more expansive discussion today for you than I have heard over the years, and I want to compliment Barry for putting together what I think is a very eclectic and appropriately eclectic group. It hasn't always been true that we would have had this particular mix of folks giving you some background from the arts from many, many different perspectives. Hopefully, my perspective as a private arts funder can be helpful to you.

The Packard Foundation was begun in 1964 as an exercise by Lucile Packard to get her four children involved in philanthropy. The first grant that they decided to make was to the San Francisco Symphony to begin the San Francisco Youth Orchestra. I'm very proud of that. We continue to be the smallest portion of the Packard Foundation's grantmaking program, but the fact that we're still there I think is a testament to the children and to the vision of David Packard and his wife Lucile.

Paramount to our work are two goals in the arts equally of importance: arts education and arts infrastructure. I'm going to address arts infrastructure because that's where the funding mix right now, I think, is the most stressed. An earlier panel participant talked about how we have been in arts education able to create the beginnings of what is now beginning to feel like some bulk to that infrastructure. I don't want to downplay that in any way. That is absolutely paramount, but you've already heard about that.

I would like to address what I'm seeing as a challenge in the arts infrastructure for the professional organizations; those organizations that in my business we call "the grownups" versus the arts. Sort of a bad joke.

Anyway, one of the things that I think we have been guilty of, and "we" I'm putting on the very big broad hat of those who provide funding directly to the arts, is that we've tended to assume that the other guy is going to do the job. Those of us in private philanthropy have a relatively bad habit of pointing fingers at public funding agencies and saying, "You're not doing enough." I suspect there may be some finger points from public agencies thinking that *These rich, fat cats aren't doing enough*, that those of us in organized philanthropy wonder why the individuals in certain communities aren't doing their fair share.

And I think when we really pull back and look at this, that has not been to our advantage. I think that in this particular turndown, particularly post-September 11th, it is an opportunity for us to really be more expansive in our understanding and appreciation for the different roles that different kinds of funders make, and also to allow ourselves to kind of, if you will, give ourselves day passes to go live in the other person's territory for like a day. Hang out at the California Arts Council, have somebody from the California Arts Council hang out at a private philanthropy. Begin to kind of understand what the nuances and the differences are, because we are absolutely interdependent; and right now, more than ever, we need to be mindful of our interdependence.

The signal that a public agency like the Arts Council gives to folks on my board is very important to me. I use your growth and your ups and downs as a barometer for either making them feel good about themselves or guilty about their behavior. So I very closely tie the behaviors of public agencies to the way I think that the private should operate. I hope that the opposite happens; that we keep the pressure on one another to understand this is a very complex and very interdependent system of funding that has been created somewhat willy-nilly and in some bizarre ways organically over the last fifty years. We have created a kind of system that really needs one another to maintain. We can't say that the public sector is going to pick up what the private sector loses or vice versa. I'm sure that this is quite commonsense, but it's something that I believe is not always in the front of our minds.

And further, that we begin to do what I hope that Barry has set out to do and Bill Ivey before him at the National Endowment for the Arts, is really to be able to create a more expansive definition of the arts so that we begin to open up that circle of those who consider themselves arts advocates, those who consider them to be part of the arts community. And I will relay that directly to funders.

At the Packard Foundation we created a brand new position called Director of Cross-Program. This person's job is to make sure that we understand within that foundation how we can add value to one another's programs, anywhere from theater in Kenya having to do with population to the work in Cascadia having to do with indigenous populations in the saving of the land. These are all ways that we are learning from other sectors and other philanthropies to begin to add value to one another.

Again, David Packard was a legendary business leader. We celebrate him all the time. He charged us at the foundation, the staff, with a number of challenges. The one that I think about the most is the ability to think big. In the arts sometimes we think small, and I think that this is an opportunity, again, for us to think big, think expansive, think inclusion, and allow ourselves to give ourselves day passes to other parts of the world and hopefully add value to one another's programs.

Thank you for having this hearing. It's a really terrific idea. And thanks for inviting me.

SENATOR SCOTT: Next we have Jonathan Katz. He's the CEO of the National Assembly of State Arts Agencies, which represent the government art agencies in the state and six jurisdictions. As the CEO, he has strengthened the NASAA's strategic leadership in making the case in developing resources for the arts in the entire United States.

MR. JONATHAN KATZ: Thank you, Senator Scott and committee members. Thank you for having me here today and allowing somebody who lives in Washington, D.C. to testify. I know we're sometimes referred to as "Hollywood for the ugly." I appreciate your aesthetic flexibility.

I've been struck today by the testimony at how similar the themes that have been mentioned are here in California to those at Ground Zero in New York and in Washington, D.C. and in Pennsylvania. In New York there are groups planning children's murals commemorating the victims of September 11. Many programs with

school children. The D.C. Arts Commission is funding artists, working with the three public schools who lost teachers and students in the attack on the Pentagon. The New York State Council and the California Arts Council are doing a very similar kind of surveying of their communities to assess the business interruption, the changes in attendance, the emergency expenses, lost revenues from earned income, staffing implications, having to change programs because of changed sensibilities, and displacement of contributed support. These surveys are still in progress. And I think what's happening really is that the artists serve their communities wherever they are, to seek meaning, express themselves, and to draw together as citizens.

We have a lot of experience at the California Arts Council and the national arts community in providing artists to help out in circumstances like this, unfortunately. They provided help in the aftermath of social damages of communal tragedies like Hurricanes Hugo and Andrew and the devastating 1993 floods in the Midwest and down the Mississippi Valley, in the shootings in Colorado and Washington State and the bombing of the Murrah Building in Oklahoma City and the civil unrest in Los Angeles. In all these cases, the arts community all over the country, like the California Arts Council, endeavors to integrate artists, arts organizations, and the artistry in all of us into the activities that communities organize to comfort and to heal and to look ahead.

I want to speak very specifically about the tough decisions that you're going to have to make, looking at the resources for the state of California in these circumstances. We know that an economic downturn was already in progress September 11. I'm here to argue that because of the special benefits that the arts offer to the public, their funding merits special consideration, even in times of budget shortfall. And I want to make three points.

My first point is that the arts are an undercapitalized field, especially the nonprofit sector that the California Arts Council chiefly assists. It's a field of small community-based groups, marginal mid-sized groups, and a major institution might have a budget of a few million dollars. They are lean groups savvy enough to survive in a highly competitive leisure time market, but they're significantly dependent on donations and volunteers.

There's no layer of middle managers to let go when they have to cut back, so they have to make hard choices. One is they can let people go, and when they do, it

weakens immediately their ability to raise funds, the quality of their product or the volume of their product, and it immediately affects their bottom line. And they have only two other places to go besides letting people go and costing jobs: They can cut back on marketing, and they can cut back on artistic initiatives. And when they cut back in either of those areas, they sacrifice their long-term relationship with the community. They sacrifice what we would call their “branding.” They lose position. And when the economy turns around, it’ll be still several years before they can make it back from that kind of loss of visibility and loss of the cultivation of their donors and volunteers and customers.

So one thing is they suffer disproportionately in job loss and organizational damage when you do an across-the-board cut. That’s one point.

The second point is that they provide exceptional dollar value to government for their dollars. There’s a reason why state government has supported the state arts agencies more proportionately than state government has grown since 1992. The rate of growth of budgets of state arts agencies has outpaced the rest of state government since then. And the reason is their benefits end. My association is paid to track those reasons that legislatures use: economic development, education, youth at risk, cultural tourism, strengthening community life. That’s why legislators have put dollars competitively into state arts agencies versus the other growth in state government.

Thirdly, there’s not that much money to find when you’re addressing a major budget shortfall. I just came from Maryland. They’re looking for three to four hundred million dollars there. You know, here we’re short \$700 million in the first quarter and we’re looking at billions of shortfall. How much money can you get from the arts? I think we’re hard-pressed to find another place that provides as much public benefit for the million dollars that the arts provide.

Overall, my observation is it doesn’t help much to cut the arts. It’s not the best choice given the cost in public benefits and the disproportionate damage to the field and job loss and damage to organizations. Especially in California, where, if you refer to the chart here, the support for the California Arts Council is already comparatively low, and you can see that despite the recent increases in investment, the per capita support is still lower than the average state in the United States. Per capita is the investment that state government makes in assisting individuals in a certain area.

I'm here because California is a leader, because there are more artists employed in California than anyplace else in the country; because there's people trained here, as the point made earlier, that help the economy all over the country, and people trained in the arts all over the country come here to work in your industries. So it's that leadership that we look for.

I know that witnesses before me and after me are focusing on the impact of September 11th and on the value of the arts in these special circumstances. I ask you, as you hear them, to bear in mind that the benefit that the arts provide that are made so visible in these difficult times are the same benefits that they provide day in, day out, all year around, in the lives of individuals, families, and communities. The arts advantage to Californians, that the committee's background paper documents very well, in the economy, in education, in building cultural bridges, that derives from the power of the arts experience to enable people to express themselves, to share their heritage, to develop their creativity, to imagine, to design, to shape what their lives will be like. Sometimes we realize more in the special circumstances the riches that we have all year round, and it's an investment that we want to look at as a foundation and build upon.

Thank you very much for inviting me to be here today. If there's any other additional information that I can provide you in your deliberations, I'm happy to do so.

SENATOR SCOTT: Thank you.

Now we have Robert Barrett, who's the vice president of Domestic Marketing for the Los Angeles Convention and Visitors Bureau. He's served as a recognized leader in arts administration and marketing for thirty years. He directed the first Cultural Tourism Department in the Bureau and cofounded the California Cultural Tourism Coalition.

MR. ROBERT BARRETT: Senator Scott, members of the Joint Committee of the Arts, thank you very much for this opportunity to speak to you. Seldom, however, do I stand at a podium with a litany of bad news. I'm generally considered a cheerleader for the culture and cultural tourism in the state. But that's my job today.

However, first I wish to frame it by telling you where we were in 2000 in terms of L.A. County. In the year 2000, L.A. County hosted 24.7 million domestic and international visitors. The direct spending of these visitors totaled \$13.6 billion. The travel and tourism industry provides employment, or did provide employment for

279,000 area residents. And the industry generated \$751 million in state and local taxes and \$212 million in federal tax revenues. That's L.A. County alone.

The impact of recent events have been very dramatic. We have seen nothing like it in the history of our careers, and the preliminary forecast for the calendar 2001 are not particularly good.

L.A. is likely to have lost nearly 1.7 million visitors, accounting for a decline in direct spending from \$13.6 billion to \$12.5 billion, or 8 percent from the previous year. I have all this data for you. Travel by international visitors is expected to be off by 14.5 percent in 2001 compared to 2000, a dramatic decline for the number two international destination of the United States. Now, you do know that this not directly linked to 9/11 because of the softening economy and the recession in Japan. However, 9/11 did impact travel decisions and people canceled trips in very great numbers. When we do see a comeback, the West Coast is likely to be the first to enjoy the benefits of the Asian traveler coming back to the United States. Hotel occupancy rates are forecasted to fall from an average of 76.2 percent as of year-end 2000 to 70.5 percent for calendar year 2001.

The saddest news of all, by June 2002, we expect to lose 40,000 full-time jobs in Los Angeles County in the hospitality industry. Now, that's Los Angeles County, which, as I go forward, you will learn is not in such a bad position as San Francisco or San Diego.

Based on this decline, Transient Occupancy Tax, or the TOT revenues, for 2001 are projected to be 6.8 percent lower than the TOT revenues generated in 2002, dropping by 20 percent in the fourth quarter of 2001 alone. This decline is expected to impact TOT revenues well into 2002. Based on current intelligence, TOT revenues are projected to drop by another 3.5 percent in 2002 compared to 2001, and that takes us to about an 11.3 drop through the entire part of next year. And that has a significant impact on, for instance, the funding that cultural affairs and the city of Los Angeles receives, the city funding in San Francisco and San Diego. And San Francisco, I think you can hear a number closer to the 30 percent that Caroline Beteta referred to in her presentation, and in San Diego a number somewhere between Los Angeles and San Francisco.

Because nearly every segment of L.A.'s economy is supported to some extent by travel and tourism, virtually every business will feel the impact of reduced visitation

and travel-related spending. Hopefully, there will be no more significant events, no more terrorist attacks, and we can see a recovery ahead. If there are none, the only issue is the recession in the Far East and the economy in the United States.

But California, with the large population that we do have, can enjoy a drive-market boom. Those that heretofore might have elected to go back East or travel out of country are taking more shorter trips. So all of us are redirecting our energies and focus on the California drive market. Los Angeles – and I have to share with you something positive from a marketing guy – has embarked on the largest drive campaign we have ever undertaken. All nine convention and visitors bureaus in the county of Los Angeles have joined together to pay for this campaign as well as the Los Angeles Economic Development Corporation.

The arts community stepped forward and supported my request to have an offer so that we could have a good value proposition to all of our potential customers, and I should tell you first that 110 hotels are giving a two for one room rate offer through February. And if you check into one of our partner hotels, you receive something called the L.A. Card which is basically the key to Los Angeles County, and over thirty Los Angeles cultural institutions are providing two for one adult admissions and free children. As well as the entertainment attractions, all the shopping centers are providing deep discount coupon books to these visitors and many, many restaurants. This is, I think, kind of a plus side of the negative experience in that it provided an opportunity for the cultural community of Los Angeles County to work closely with the hospitality community to bring this business back.

So I have a great deal of data to support these numbers, and if we can help you get the numbers for San Francisco and San Diego, I'd be delighted to do so through our research department. And I'll leave this document for your secretary.

Thank you very much.

SENATOR SCOTT: Thank you for an extremely accurate and careful analysis. At least to know the data is to be able to deal with it.

We now – she has patiently been sitting here through the entire time, and we appreciate that very much. Harriet Miller has been mayor of the beautiful city of Santa Barbara since 1995. She's a long-time public servant and has served as chair of the Santa Barbara County Association of Governments and on the board of

directors for both the League of California Cities and the National League of Cities. Thank you for being here, Mayor Miller.

MAYOR HARRIET MILLER: Well, thank you, Mr. Chairman and members of the committee, for giving us this opportunity to come and speak to you. I, like others, am here to urge you to do everything you can to minimize the reduction in the appropriation for the programs of the California Arts Council.

The arts are a cornerstone of our economy and a significant part of our civic culture. And particularly since the September 11 tragedy, we recognize the arts as a healer of the spirit. People are unsettled, and we need to offer the arts as a symbol of our humanity.

The words of British writer E.M. Forster seem especially appropriate. He said, "Art for art's sake? I should think so, and more so than ever at the present time. It is the one orderly product which our middling race has produced...It is the best evidence we can have of our dignity."

Today, more and more civic leaders and elected officials recognize the importance of the arts to the economy of our cities and the state. Urban economists note that the arts are emerging as a significant economic ingredient in the health of a city. Certainly that is true in my city of Santa Barbara. The health of our local economy and that of all the communities of California are vital for the well-being of the state as a whole.

A National League of Cities' recent survey groups arts and entertainment with tourism among the top three most important economic sectors in local economies. In Santa Barbara we have invested more than \$2½ million in creating and improving the offerings in the cultural district of our downtown. And recently, we appropriated more than \$350,000 for cultural events and festivals and another \$108,000 for development grants to local art organizations.

Now, we've done this for two reasons: First to provide high quality art and cultural opportunities for our own citizens, and second, and very important, to attract visitors to our community. For tourism is an important segment of Santa Barbara's economy just as it is for other communities in our state and for the whole state. And our cultural offerings are one of the major attractions for visitors.

In Santa Barbara, the Transient Occupancy Tax, or bed tax, accounts for 13 percent of our general fund revenues, and in the aftermath of September 11, the

number of tourists visiting Santa Barbara was down 16 percent in September and 15 percent in October. We estimate the loss in bed tax for those two months to be approximately \$192,000. If this trend continues, we estimate that we could lose as much as \$600,000 this fiscal year compared with last year's revenue. And this is particularly significant because we would expect growth, not loss. Further, we estimate that that portion of the sales tax which we can attribute to visitors will be down approximately \$1.2 million over last year. And again, this is significant because we would expect an increase rather than a loss.

Information from our county indicates that the cultural tourist stays longer than the average tourist and therefore spends more money. This is an important reason for continuing a strong investment in the arts.

We need to do everything we can to maintain and increase tourism. Our past experience tells us that investment in the arts pays off. Investment in the arts by the state of California is vital to the economy of our local communities.

As you no doubt know, a 1994 Peat Marwick study emphasized the arts as providing a competitive advantage for California and that they define and enhance the creative genius and character of our state. It pointed out that the arts added substantially to the state's economy, created jobs, and generated millions of dollars in state and local income tax and sales tax revenues.

California has a fine reputation for investment in the arts, and we don't want to lose that advantage that we have or lose the significance of its importance when we're dealing with the problems of the recession and the impact of the energy crisis on our state's budget. Further, there is concern – and this has been alluded to – that the stock market downturn has reduced the portfolios of foundations that have traditionally been supporters of the arts.

Santa Barbara has successfully used the arts as a vehicle to revive interest in our downtown, and because we recognize the importance of arts to our economy, we will continue to make every effort, even in these times, to fund the arts.

Citizens in my community responded generously to the relief efforts following the 9/11 events. It's too soon to know how that generosity will impact community and foundation support for cultural and arts activities. Nevertheless, the effects do reverberate in my community. Subscriptions to our local ensemble theater, whose

season ticket drive unfortunately coincided with the 9/11 tragedy, are off substantially from the expected responses this time of year.

In these times of economic recession we need to do everything we can to bolster tourism and to provide every opportunity for our own citizens to enjoy the arts. An investment in the arts is an investment in the economy, and for that reason, I encourage you to work to minimize the reduction in the appropriation for the arts and to replace whatever reduction you do do as soon as you can when the economy turns around.

Thank you very much.

SENATOR SCOTT: Thank you.

Well, we have listened to wonderful testimony from so many interested people who have stated it so very well with both emotion and with statistics. I think we hear our charge. It was said well, Mayor Miller, when you said we want to minimize the reduction of arts funding and if it is necessary for there to be any reduction in arts funding to replace it as quickly as possible. I suppose that's as succinct as you can say it, and we appreciate that kind of passionate reminder to each of us that are sitting here.

Of course, we've got to be active also in talking to our colleagues, and as was earlier said, you as arts advocates – the audience and those who gave testimony – should also be advocates to your legislators, if they're not sitting here today, and also to the Administration.

So now I'll turn to Assemblymember Liu, if you'd like to make a comment.

ASSEMBLYMEMBER LIU: I just wanted to thank everybody for appearing and for giving your testimony. It will certainly give us food for thought as we proceed forward.

I've always enjoyed the arts. I've always enjoyed problem solving a little bit out of the box. It distresses me a little bit when we have to face a budget when there's particular items to be lined out so the numbers match up. I wish that we could look at how we fund our programs, fund our projects, fund the activities of our communities in a more holistic manner. But given the tools that we have presently, it's a little difficult to change strains. Perhaps it's a long-term situation. My passion is education. This is part of it, part and parcel of it.

I appreciate your interest and commitment in being here and look forward to our continued relationship as long as I'm sitting here. But thank you very much.

SENATOR SCOTT: Assemblymember Strom-Martin.

ASSEMBLYMEMBER STROM-MARTIN: Thank you. I think Assemblymember Liu said it very succinctly, and I would echo her comments and also thank each and every one of you for showing up today and thank all the presenters for their excellent testimony, much of it which is written which I really think does give us a lot of food for thought and a lot of fuel to fire up the other legislators at the state level in terms of whether or not we even have to make cuts. My hope is that we don't have to make anymore cuts that were already made this year in the existing budget. Certainly there are a lot of other places that we can look to make cuts, and I know that we'll be doing that hand in hand with the Senate, the Assembly, and also the Administration.

But I would say to you that it never hurts to fax or write or even call Sacramento to voice your opinion about what we're going to be trying to do come January. Everybody does pay attention in every office to all the calls, faxes, and letters that they do get. So you're part of the process, and I encourage you to keep on advocating.

Thank you.

SENATOR SCOTT: Now, I might say we could take ten minutes if there are people in the audience who want to say something. If you'll step up and succinctly say what you want to say, we'll be glad to hear from you.

Yes, step forward please and identify yourself.

MS. ROSALIND GEORGE: Good afternoon. My name is Rosalind George. I am a member of the California Arts Council. I was appointed by Governor Gray Davis in October 1999. I will not give my background at all for the sake of time.

I want to thank Barry Hessenius for the most articulate in being an advocate for us in the arts and commend him for the speech he gave today. Thank you, Barry.

I will make this short. I just want to say that the Joint Committee of the Arts is actually one of my favorite legislative committees, and I charge you with solving the problem, with being creative, and knowing that, yes, you can continue to fund us. So my plea is to urge you to do that.

Just in today's *L.A. Times*, on the article on the Kennedy Center gala, they quote General Colin Powell where he stated, "A heart filled with music cannot be silenced." This is in reference to the Taliban that attempted to silence all the arts.

I'll just close with saying, in terms of this and reference to war, in all my studies of the arts, in ancient Greece – I don't know how many of you remember or even know about the Peloponnesian Wars and whatever it was all about. But you all know about the Acropolis, and you certainly all, everyone in the world, knows about the art and sculpture that was left as a legacy to the world from ancient Greece.

Thank you for everything you do for us.

SENATOR SCOTT: Thank you.

Someone else? All right. Step forward, sir.

MR. CHARLES ZEMBILLAS: Good afternoon, everybody.

SENATOR SCOTT: Would you identify yourself?

MR. ZEMBILLAS: Yes, my name is Charles Zembillas, and I'm the president and founder of the Animation Academy here in Burbank, California. I'm going to ask you if you could please be patient with me because I'm not very good in front of people, and I suffer from a little bit of stage fright. In a couple of minutes I'll get over my nervousness.

But I wanted to bring to your attention what our school has been doing to help in this endeavor that you and the state and your associates are involved with. We started a school in the back of a local restaurant here about four years ago, and we've been growing steadily, in spite of the fact that the animation industry is suffering some very severe employment drop-offs and lack of opportunities as of the last three years, I'd say.

The things that I've been encountering, I've been having an enormous amount of unnecessary roadblocks that I've had to overcome in this situation where I've been trying to help the local arts community, and especially in training teenagers and young adults in the arts so that they can become viable artists working in the local animation industry here.

For example, I submitted my application for a certification to the Bureau for Private Postsecondary and Vocational Education quite a while ago, a year and a half ago. My application was lost for six months, so it was really holding us back as far as the school was growing. And also, we're having a very difficult time getting the

attention of the community here, especially the city of Burbank, in terms of getting them to recognize the importance of our school and how vital we are not only to the local industry here but to the overall California economy since we are a growing school in a time when our industry is actually going in the slightly opposite direction.

So we could use some assistance in a variety of different forms. I'm going to be communicating with you in writing, and I'm going to be participating in this effort to help bring more funding and more attention to the arts here in California, but I work in a very, very grassroots level and we have been having a lot of time getting the attention of people who should be aware and conscious and supportive of our school.

So I would like to thank you, first of all, for this initiative and that I will be helping out to participate as much as I can in helping to have this endeavor flourish locally with the community.

Thank you very much.

SENATOR SCOTT: Thank you for your testimony.

Is there someone else that would like to make a comment? All right, there are two others. And I do encourage you, it's late in the day. Do not repeat something that somebody else has already said because we have heard that.

Yes.

MS. ALISON DELA CRUZ: My name is Alison Dela Cruz, and I'm a Filipino American artist living in L.A., and I am part of the Filipino artist network funded by the California Arts Council. I work in a mid-sized, nonprofit, multicultural arts organization in L.A.

I guess the thing I want to say is I feel like always as artists we're asked to give to the community. I perform in the community; I do workshops in the community. I'm always asked to give to the community. And as an artist – I mean, the statistics and the testimony from the other people who talked today I think really spoke to that. But I feel like the thing that I need lawmakers to know and to remember, the way that we remember that about teachers and health care professionals, is that artists are involved at the grassroots level in the community. We touch the lives of the people that we work with, and we're on the front lines of dealing with the multiculturalism of the state of California.

I mean, it's one thing to understand the economic capital that we bring to the state but it's another thing to understand the creative and the personal capital that we

bring to the state. Working with the artists throughout the state that we do, most of them are involved in the community. Most of them are not just artists by trade. They're also working in other professions, but they're also giving back to the community and developing leadership skills and all the other things that we find that are important. So the co-curricula development of not only of our youth but of the senior citizens in our community centers and the parents who are trying to, you know, bring their children up holistically.

So I guess the thing I just want to bring home is that for those of us who are working in the community, it is about that one connection and that one moment and that I can't put a dollar figure about that. And that if it comes down to just the dollars, then – I'm a writer, I should be able to come up with something fancy – but it just leaves me speechless that if the only thing I'm worth as an artist is about a dollar figure, then I really think something is wrong. And I think to just support the testimony of the other people who've spoken today is to bring it back to that. That as artists, it's not about a dollar, it's about a painting, it's about a musical note, it's about a moment on stage, it's about a dance.

SENATOR SCOTT: Thank you.

Well, certainly as you've said, we're not simply material beings. We're beings of spirit, and the arts make an immeasurable impact in that regard.

Sir, I believe you wanted to say something.

MR. CHU(?) _____: My name is Chu(?) _____, and I'd like to just thank all of you for showing up here today. Carol Liu, I'd like to thank you personally. You always invite me to all the activities. I know your heart is very much involved in art. Lena Kennedy as well.

I'm an artist living in Altadena, California. I do a lot of work in the community as well. But I'd just like to say to you that I had an opening last night, and I've had a great many openings. I've been doing sculpture for the past twenty years. This is the first time I've had an opening where very few people showed up, and I believe it was a result of September 11th. But I didn't let that deter me at all because most of the people that showed up were able to bring their children, and I wanted to open up a dialect for the children to let them know that they have a voice within myself.

So when they see another artist going out there, even though we're living at a time that's very difficult, the arts are so important because we can bring out that voice

to the people, let them know that as an individual and something that is hard in this society to be an artist, to still be out here creating in this world, that the world needs to see this, America needs to see this. That's my responsibility to speak for the artists that don't get the opportunity because what I was able to do was go and speak to the younger artists and let them know that, hey, we're going to still make it, we're going to make it through this, and that we need to go out and we need to be proud of what it is that we're doing and give back to the community.

I want to just say look around you. There's a mural right here that's created by an artist. Look at all the beautiful interior design in the room. All of it was created by artists. For those of you that want to cut money from the artists, you need to look around your environment, your immediate environment, and understand how important it is and how important art is to let you know that if you didn't have the environment that you were in, you would be outside probably living in a cave right now.

So please, please, please, give money to the arts. Please.

Thank you very much.

SENATOR SCOTT: Thank you.

Well, this has been a fine gathering. I appreciate so much the testimony of people who have come from as far away as Washington, D.C. We deeply appreciate your presence here but also so many artists and art advocates throughout the state of California who care deeply about this subject. I was very pleasantly surprised to walk in today and see this hearing room completely filled, and that indicates the level of commitment that people have to this most important topic.

So, thank you for your patience. You've been here a long time, but I think all of us profited as a result of it. So this meeting's adjourned.

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